

STATE OF SOUTH CAROLINA

Investigation of Property Transfers from South Carolina
Electric & Gas Company, SCANA other SCANA
Affiliates and Non-Affiliated Entities, and Allocation of
Expenses, Revenues and Plant between SCE&G, SCANA
and SCANA Affiliates

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 89 - 230 - E/G

(Please type or print)

Submitted by: K. Chad BurgessSC Bar Number: 69456Address: SCANA Corp.Telephone: 803-217-81411426 Main Street MC 130Fax: 803-217-7931Columbia, SC 29201

Other: _____

Email: chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input checked="" type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report	



K. Chad Burgess
Senior Counsel

chad.burgess@scana.com

June 30, 2008

VIA ELECTRONIC FILING

The Honorable Charles Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
100 Executive Center, Suite 100
Columbia, South Carolina 29210

Re: South Carolina Electric & Gas Company Annual Report
Docket No. 89-230-E/G

Dear Mr. Terreni:

In accordance with South Carolina Public Service Commission Order No. 92-931 issued in the above-referenced docket, enclosed please find the annual report of South Carolina Electric & Gas Company ("SCE&G") regarding affiliate transactions.

By copy of this letter we are serving a copy of SCE&G's annual report upon the South Carolina Office of Regulatory Staff.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms
Enclosures

cc: Dan F. Arnett
(via hand delivery with enclosures)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 89-230-E/G

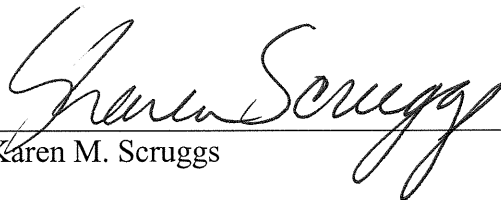
IN RE:

Investigation of Property Transfers from South)
Carolina Electric & Gas Company, SCANA, other)
SCANA Affiliates and Non-Affiliated Entities, and)
Allocation of Expenses, Revenues and Plant)
Between SCE&G, SCANA, and SCANA Affiliates.)
_____)

**CERTIFICATE OF
SERVICE**

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Annual Report Regarding Affiliate Transactions** via hand delivery to the person named below at the address set forth:

Dan F. Arnett
Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, SC 29201



Karen M. Scruggs

Columbia, South Carolina
This 30th day of June 2008



**PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NUMBER 89-230-E/G
ORDER NUMBER 92-931**

**ANNUAL REPORTING
REQUIREMENTS
For The Year 2007**

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

1. File the rate of return earned on rate base, net assets, and common equity for SCE&G and the regulated subsidiaries of SCANA. File the rate of return on net assets and common equity for consolidated SCANA Corporation. This information should be based on the most recent calendar year data.

RESPONSE:

SCE&G

For Return on Rate Base, see Exhibit A under tabs for Electric Quarterly and Gas Quarterly.

For Return on Common Equity, see Exhibit A under tabs for Electric Quarterly and Gas Quarterly.

For 2007, Return on Total Net Assets was 3.35%

For 2007, Return on Common Equity was 9.34%

SCANA

For 2007, Return on Total Net Assets was 3.15%.

For 2007, Return on Common Equity was 10.81%.

GENCO

For 2007, Return on Total Net Assets was 1.92%.

For 2007, Return on Common Equity was 8.39%

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

2. File the dollar amount of the capital structure at the end of the most recent calendar year for consolidated SCANA, SCE&G, and each regulated subsidiary of SCANA Corporation. (Debt, preferred stock, equity, etc., total.)

RESPONSE:

(Millions of Dollars)

	SCANA Consolidated		SCE&G		SC Generating Company	
Debt	3,112	50.31%	1,861	40.49%	155	63.52%
Preferred Stock	113	1.83%	113	2.46%		
Common Equity	2,960	47.86%	2,622	57.05%	89	36.48%
Total	6,185	100.00%	4,596	100.00%	244	100.00%

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

3. File the consolidated capital structure of the regulated entities of SCANA Corporation and the consolidated capital structure for the non-regulated operations of SCANA Corporation in dollar amounts at the end of the most recent calendar year. (Debt, preferred stock, equity, etc., total.)

RESPONSE:

See the attached information.

SCANA Corporation
Capital Structure
At December 31, 2007
(Millions of Dollars)

Response II-B 3.

	Regulated Subsidiaries		Non-Regulated Subsidiaries	
		%		%
Debt	2,389	40.29%		0.00%
Preferred Stock	113	1.90%	-	0.00%
Common Equity	3,428	57.81%	157	100.00%
Total	5,930	100.00%	157	100.00%

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

4. File the dollar amount of assets devoted to the regulated, non-regulated, and consolidated operations of SCANA Corporation at the end of the most recent calendar year.

RESPONSE:

<u>Assets</u>	
Regulated	\$ 9,386,102,422
Non-regulated	\$ <u>779,270,880</u>
Total	<u>\$10,165,373,302</u>

For the consolidated operations of SCANA Corporation, please see page 29 of FORM 10-K for the twelve month period ended December 31, 2007, as referenced under the Reports Tab.

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

5. Provide an income statement, balance sheet, and cash flow statement reflecting results of operations from each regulated and non-regulated subsidiary and the consolidated SCANA operations based on the most recent calendar year.

RESPONSE:

See pages 51-54 of the 2007 FORM 10-K as referenced under the Reports Tab for SCANA's balance sheets, income statements and cash flow statements.

See pages 98-101 for SCE&G's statements.

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

6. A) File the bond rating, common stock rating, and preferred stock rating of SCANA Corporation, SCE&G, and any other regulated subsidiary of SCANA Corporation at the end of the latest calendar year. File all available ratings and notifications of any change in a security rating within 15 days or as soon as possible. The notification will include the news release or other information for the rating agency setting forth the reason for the change.
- B) File notification of any changes in these ratings during the calendar year.
- C) File explanation for any changes in the security ratings during the prior twelve months.
- D) File immediate notification to the Commission of any changes in security ratings.

RESPONSE:

A)

	<u>Moody's (1)</u>	<u>Standard & Poor's</u>	<u>Fitch</u>
CANA Corporation			
Issuer Rating/Corporate Credit Rating/Issuer Default Rating	Baa1	A-	A-
Senior Unsecured Debt (Medium-Term Notes)	Baa1	BBB+	A-
Rating Outlook	stable	negative	stable
South Carolina Electric & Gas Company			
Issuer Rating/Corporate Credit Rating/Issuer Default Rating	A3	A-	A-
Senior Secured Debt (First Mortgage Bonds)	A2	A-	A+
Senior Unsecured Debt	A3*	BBB+	A
Short-Term Debt (Commercial Paper)	P-2	A-2	F-1
Preferred Stock	Baa2	BBB	A-
Rating Outlook	stable	negative	stable
South Carolina Fuel Company			
Short-Term Debt (Commercial Paper)	P-2	A-2	F-1

- B) C) D) December 4, 2007--Moody's downgraded SCANA and its rated subsidiaries one notch. See attached press release issued by SCANA on December 4, 2007.



For Immediate Release

Media Contact:

Eric Boomhower

(803) 217-7701

eboomhower@scana.com

Investor Contact:

Bryan D. Hatchell

(803) 217-7458

bhatchell@scana.com

SCANA Comments on Moody's Rating Action

Columbia, SC, December 4, 2007-- SCANA Corporation (NYSE: SCG) responded today to a rating downgrade by Moody's Investors Service for the holding company and its rated subsidiaries, South Carolina Electric & Gas Company (SCE&G), Public Service Company of North Carolina (PSNC) and South Carolina Fuel Company (SCFC). In a press release issued today by Moody's, SCANA and its rated subsidiaries were downgraded one notch. Current credit ratings by Moody's, Standard & Poor's and Fitch Ratings for SCANA Corporation and its rated subsidiaries are summarized in the table below.

The decision by Moody's to lower the long-term debt ratings for SCANA, SCE&G, PSNC and SCFC by one notch was based in large measure on the expected impact on key financial credit metrics of significantly higher capital expenditures (CAPEX), associated financing plans over the next several years and management's reiteration regarding increasing its common dividends at a rate that reflects its projected long-term underlying earnings growth. SCANA's CAPEX budget for the period 2007 – 2009 totals approximately \$2.3 billion, an increase of about \$800 million compared to the previous 3-year forecast.

"While we understand the rating downgrades announced by Moody's, we are pleased with our overall credit ratings and will strive to maintain the related capitalization and coverage metrics during the upcoming construction cycle," said Jimmy Addison, senior vice president and chief financial officer. "This growth through investment strategy will be one of the key drivers of long-term earnings and dividend growth for SCANA."

The projected cost of upgrading SCE&G's electric generating plants to meet increasingly stringent federal, state and local environmental mandates has risen dramatically during the past year. SCE&G's current budget includes the addition of pollution-control equipment at three of the company's largest coal-fired base load plants, primarily to reduce sulfur dioxide and nitrogen dioxide emissions.

A second factor contributing to the increase in SCE&G's projected CAPEX is the need for new electric generating capacity. SCE&G's current forecast includes costs associated with new peaking capacity expected to come on line in 2009/10. In addition, the higher CAPEX budget reflects SCE&G's share of initial expenditures associated with a proposed new base-load nuclear generating facility that would be built in partnership with Santee Cooper, a state-owned utility in South Carolina and SCE&G's long-time partner in the V.C. Summer Nuclear Station. If the companies ultimately decide to proceed with construction of a new unit, it would be located at Summer Station and expected to begin commercial operation around 2016.

in South Carolina and more than 1.2 million natural gas customers in South Carolina, North Carolina and Georgia. Information about SCANA and its businesses is available on the Company's website at www.scana.com.

SAFE HARBOR STATEMENT

Statements included in this press release which are not statements of historical fact are intended to be, and are hereby identified as, "forward-looking statements" for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements concerning key earnings drivers, customer growth, environmental regulations and expenditures, leverage ratio, projections for pension fund contributions, financing activities, access to sources of capital, impacts of the adoption of new accounting rules, estimated construction and other expenditures and factors affecting the availability of synthetic fuel tax credits. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" or "continue" or the negative of these terms or other similar terminology. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to, the following: (1) the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment; (2) regulatory actions, particularly changes in rate regulation and environmental regulations; (3) current and future litigation; (4) changes in the economy, especially in areas served by subsidiaries of SCANA Corporation (SCANA); (5) the impact of competition from other energy suppliers, including competition from alternate fuels in industrial interruptible markets; (6) growth opportunities for SCANA's regulated and diversified subsidiaries; (7) the results of financing efforts; (8) changes in SCANA's or its subsidiaries' accounting rules and accounting policies; (9) weather conditions, especially in areas served by SCANA's subsidiaries; (10) payment by counterparties as and when due; (11) the results of efforts to license, site and construct facilities for baseload electric generation; (12) the availability of fuels such as coal, natural gas and enriched uranium used to produce electricity; the availability of purchased power and natural gas for distribution; the level and volatility of future market prices for such fuels and purchased power; and the ability to recover the costs for such fuels and purchased power; (13) performance of SCANA's pension plan assets; (14) inflation; (15) compliance with regulations; and (16) the other risks and uncertainties described from time to time in the periodic reports filed by SCANA or South Carolina Electric & Gas Company (SCE&G) with the United States Securities and Exchange Commission (SEC). The Company disclaims any obligation to update any forward-looking statements.

###

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

7. A) File notification of any "planned" issuance of common stock, long-term debt, or preferred stock by SCANA Corporation, SCE&G, or any other regulated subsidiary of SCANA Corporation.
- B) Provide the approximate time of issue and dollar amount of issue.
- C) File an explanation of the intended use of these funds, non-regulated subsidiary.
- D) If the funds raised from an issuance were or are to be transferred from one subsidiary to another or from SCANA to a regulated subsidiary, file information on the mechanism used to transfer these funds and the amount of such transfers.
- E) File the actual cost of any new issue of debt and preferred stock by SCANA Corporation, SCE&G, or any regulated subsidiary during the calendar year.

RESPONSE:

See attached information.

Response II-B 7.

- A) SCANA plans to issue senior unsecured notes during 2008 and 2009. Also, SCANA refinanced medium term notes in 2008.

SCE&G plans to issue first mortgage bonds and pollution control bonds during 2008-2009. SCE&G will refinance first mortgage bonds maturing in 2009.

GENCO plans to issue pollution control bonds and senior secured debt during 2008.

- B) SCANA plans to issue up to \$40 million of senior unsecured debt during December 2008. The notes will mature in 2034. The notes will bear a floating interest rate based on a to-be-determined spread over three-month LIBOR. It is anticipated that an interest rate swap will be employed to effectively change the floating rate to a fixed rate. Additionally, SCANA plans to issue \$20 million of senior unsecured notes in 2009. During March 2008 SCANA refinanced \$250 million in maturing medium term notes.

In January 2008 SCE&G issued \$250 million of maturing first mortgage bonds. Additionally, SCE&G anticipates the following issuance for the remainder of 2008: \$100 million of first mortgage bonds in June and \$40 million in pollution control bonds in August. In 2009 SCE&G plans to refinance \$100 million of first mortgage bonds maturing in March 2009.

GENCO plans to issue \$160 million of senior secured debt in 2008; \$80 million in June and \$80 million in October. Also, GENCO expects to issue \$40 million of pollution control bonds in August of 2008.

- C) The senior unsecured notes to be issued by SCANA in 2008 and 2009 will be used to finance the costs of construction of the Company's new headquarters facility. The amounts of the issuances are flexible in order to match the amount of the total issuance under this program to the actual total costs of construction of the headquarters facility.

- D) The only issuance of debt during 2007 was related to the current campus construction at SCANA. The proceeds from the issuance of the \$40 million of senior unsecured notes are retained at SCANA.

As described above, the proceeds of the notes will be dedicated to the financing of the new corporate headquarters facility.

- E) The issuance of \$40 million of senior unsecured notes by SCANA during 2007 resulted in net proceeds after underwriters' fees and discount of \$39,450,000.

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

8. A) File the dollar amount of dividends paid out by SCANA Corporation during the most recent calendar year.
- B) File the percent of consolidated SCANA's net income or earnings per share paid out as dividends to stockholders over the calendar year. (Dividends per share/earnings per share or dollar amount of dividends/net income).
- C) File an explanation of the reason for any significant changes in the payout ratio (Dividends per share/earnings per share, etc.) from the previous twelve months. [Significant is defined as more than 10 percent.]

RESPONSE:

- A) As reported in FORM 10-K, the amounts of common dividends paid out by SCANA Corporation in the calendar year 2007 was \$210,000,000.
- B) Dividends Paid – 2007 \$210,000,000
 Net Income – 2007 \$320,000,000
- % of Net Income Paid Out as Dividends – 2007, 65.63%
- C) N/A

II-B

FINANCIAL TRANSACTIONS REPORTING REQUIREMENTS

9. A) File the dollar amount of dividends paid to SCANA Corporation by SCE&G and each regulated subsidiary for each calendar year. File the total amount of dividends paid by all subsidiaries to SCANA.
- B) File the percent of net income paid by SCE&G and each regulated subsidiary to SCANA Corporation.
- C) File an explanation of the reason for any significant change in the payout ratios (dividends/net income) from the previous calendar year. [Significant is defined as more than 10 percent.]
- D) File an explanation of any significant difference in the payout ratios of the regulated subsidiaries. [Significant is defined as more than 10 percent.]

RESPONSE:

See attached information.

DIVIDENDS PAID
with
Percent of Subsidiary Net Income
Response II-B 9.

A) & B)							Total Regulated and Nonregulated Dividends
	SCE&G	GENCO	CGTC	SCG	Public Service Co. of NC	Total Regulated Dividends	
(Thousands of Dollars)							
1998	167,300 73.6%	3,200 57.3%	17,100 105.1%			187,600	196,360
1999	122,400 64.7%	3,300 59.0%	9,500 93.3%			135,200	137,250
2000	147,000 58.0%	3,400 46.8%	9,400 63.2%		19,000 68.4%	178,800	221,300
2001	155,250 70.0%	3,600 65.8%	5,300 66.5%		14,800 100.3%	178,950	179,550
2002	153,000 69.7%	3,700 69.6%	4,750 133.3%		20,000 *	181,450	197,350
2003	144,750 65.7%	6,750 84.4%	5,500 83.0%		14,750 47.7%	171,750	203,250
2004	142,000 61.1%	3,500 34.1%	7,500 76.0%	1,000 0.0%	14,000 60.0%	168,000	172,000
2005	148,000 57.35%	4,000 72.37%	7,500 75.47%	750 29.51%	14,000 54.48%	174,250	312,750
2006	134,468 57.32%	4,111 60.71%	35,250 43.88%	500 21.11%	15,311 58.87%	189,640	201,440
2007	145,873 59.52%	4,574 61.80%	5,100 37.40%	**	21,454 60.64%	177,001	197,701

C) The amount of dividends to be paid to SCANA by each regulated subsidiary is based on the subsidiary's earnings, cash position, short and long-term debt balances, construction requirements, etc. Accordingly, variations between subsidiaries and from year to year will occur.

D)

** Effective November 1, 2006 SCG Pipeline merged into SCPC and the merged company changed its name to Carolina Gas Transmission Corporation (CGTC).

* PSNC's net income was negative in 2002 as the result of the cumulative effect of an accounting change associated with the adoption of SFAS 142 and the consequent write-down of the acquisition adjustment related to its merger with SCANA.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

1.
 - A) File a record of any transfer of funds from/to SCANA Corporation and any subsidiary of SCANA Corporation during the previous calendar year.
 - B) File a description of the type of transfer.
 - C) File the terms of the transfer.
 - D) File a comparison of the terms of the transfer with current market terms and rates.

RESPONSE:

- A)-D) During the previous calendar year, SCANA Corporation transferred funds to the following subsidiaries: SCE&G, PSNC and GENCO.

See attached for details of transfers.

South Carolina Electric & Gas Company
Transfer of Funds
For The Year 2007
Response III-B 1 A) & B)

SCANA Advances - SCE&G					
MONTH	BEGINNING BALANCE	ADVANCE	REMITTANCE	ENDING BALANCE	INTEREST RATE
January	75,000,000			75,000,000	5.27%
February	75,000,000			75,000,000	5.26%
March	75,000,000			75,000,000	5.26%
April	75,000,000			75,000,000	5.26%
May	75,000,000			75,000,000	5.26%
June	75,000,000			75,000,000	5.27%
July	75,000,000		(75,000,000)	-	5.27%
August	-	62,800,000	(18,300,000)	44,500,000	5.45%
September	44,500,000	30,500,000		75,000,000	5.45%
October	75,000,000			75,000,000	4.99%
November	75,000,000			75,000,000	4.66%
December	75,000,000			75,000,000	5.08%

SCANA Advances - GENCO					
MONTH	BEGINNING BALANCE	ADVANCE	REMITTANCE	ENDING BALANCE	INTEREST RATE
January	(9,500,000)	9,000,000		(500,000)	5.27%
February	(500,000)	6,500,000	500,000	6,500,000	5.26%
March	6,500,000	6,000,000	-	12,500,000	5.26%
April	12,500,000	-	-	12,500,000	5.26%
May	12,500,000	1,500,000	-	14,000,000	5.26%
June	14,000,000	-	(1,500,000)	12,500,000	5.27%
July	12,500,000	-	(2,000,000)	10,500,000	5.27%
August	10,500,000	-	-	10,500,000	5.45%
September	10,500,000	-	(2,000,000)	8,500,000	5.45%
October	8,500,000	2,000,000	-	10,500,000	4.99%
November	10,500,000	19,400,000	(2,000,000)	27,900,000	4.66%
December	27,900,000	16,000,000		43,900,000	5.08%

SCANA Advances - PSNC					
MONTH	BEGINNING BALANCE	ADVANCE	REMITTANCE	ENDING BALANCE	INTEREST RATE
January					5.27%
February					5.26%
March					5.26%
April					5.26%
May					5.26%
June					5.27%
July					5.27%
August	-	12,800,000		12,800,000	5.45%
September	12,800,000			12,800,000	5.45%
October	12,800,000		(12,800,000)	-	4.99%
November					4.66%
December					5.08%

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

2. File a record of any real property transfers between SCE&G and SCANA, SCE&G and any of SCANA's regulated subsidiaries, or SCE&G and any other party for the past calendar year which includes:
 - a. Market value and how the market value was determined.
 - b. Book value at time of transfer.
 - c. Original purchase price.
 - d. Selling price and terms of sale.
 - e. Gain or loss on transfer.
 - f. Identification of land or property transferred.
 - g. Parties involved in the transfer.
 - h. Number of bids received.

This is applicable for all regulated subsidiaries of SCANA.

RESPONSE:

See attached.

South Carolina Electric & Gas Company
Transfers of Real Property to Other Parties
For the Year 2007
Response: III-B 2.

a.	a.	b.	c.		d.		e.		f.	g.	h.
Market Value	Market Value Determination	Book Value	Original Purchase Price	Gross Sales Price	Sales Expenses	Net Sales Proceeds	Terms of Sale	Gain (Loss)	Identification	Parties Involved and Other Information	No. of Bids Rec.
\$ 72,800.00	Market Analysis	\$ 143.95	\$ 143.95	\$ 72,800.00	\$ 270.10	\$ 72,529.90	Cash	\$ 72,385.95	1.120 acres James A. Wise Tract Opt 761 Newberry County	Myra B. Moore Lake Murray Fingeland Ret WO 918155	N/A
\$ 20,000.00	Market Analysis	\$ 8.34	\$ 8.34	\$ 20,000.00	\$ 599.00	\$ 19,401.00	Cash	\$ 19,392.66	0.100 acres C.T. Mathias Tract Opt 655 Lexington County	Karin B. Heinzelmann Earth Fill Encroachment Ret WO 918157	N/A
\$ 100,000.00	Market Analysis	\$ 14.60	\$ 14.60	\$ 100,000.00	\$ 370.00	\$ 99,630.00	Cash	\$ 99,615.40	0.140 acres J.W. Wessinger Tract Opt 528 Richland County	Wilhelmina S. Wade Earth Fill Encroachment Ret WO 918161	N/A
\$ 336,000.00	Market Analysis	\$ 246.63	\$ 246.63	\$ 336,000.00	\$ 1,243.20	\$ 334,756.80	Cash	\$ 96,555.42	5.6 acres C.E. and Ellis Fellers Tract Opt 315 Newberry County	Byrum, Church, Paul Lake Murray Fingeland Ret WO 918155	N/A
\$ 35,000.00	Market Analysis	\$ 12.54	\$ 12.54	\$ 35,000.00	\$ 129.50	\$ 34,870.50	Cash	\$ 34,857.96	0.150 acres Preston D. Meelze Tract Opt 427 Richland County	Richard Robinson Earth Fill Encroachment Ret WO 918173	N/A
\$ 100,000.00	Market Analysis	\$ 39.86	\$ 39.86	\$ 100,000.00	\$ 370.00	\$ 99,630.00	Cash	\$ 99,590.14	0.535 acres Ida Leaphart Tract Opt 681 Lexington County	Martha Rose Carson Earth Fill Encroachment Ret WO 918174	N/A
\$ 11,000.00	Market Analysis	\$ 29.61	\$ 29.61	\$ 11,000.00	\$ -	\$ 11,000.00	Cash	\$ 10,970.39	0.059 acres Dantzier L. Harmon Tract Opt 476 Lexington County	Franklin D. Owen, Sr. Trust Earth Fill Encroachment Ret WO 918202	N/A
\$ 125,000.00	Appraisal	\$ 46.61	\$ 46.61	\$ 125,000.00	\$ 2,357.50	\$ 122,642.50	Cash	\$ 122,595.89	0.380 acres and 0.200 acres Elbert Shealy Tract Opt 27; Bank of Prosperity Tract Opt 29 - Newberry County	Charles L. Higgins Earth Fill Encroachment Ret WO 918176	N/A
\$ 215,000.00	Appraisal	\$ 436,566.89 land and office	\$ 56,895.85 value of land only	\$ 215,000.00	\$ 1,998.00	\$ 213,002.00	Cash/ Property Exchange	\$ -	0.700 acres Barnwell Business Office at Reynolds Rd. and Allen Street - Barnwell County	Lombard Corporation Exchange plus cash boot Ret WO 153177	N/A
\$ 129,000.00	Market Analysis	\$ 31,297.10	\$ 2,546.68	\$ 129,000.00	\$ 477.30	\$ 128,522.70	Cash	\$ 97,225.60	0.380 acres J.B. Hyler Tract Opt 955 Lexington County	Tommy A. Thomas Regatta III, Lot 20 Ret WO 91812	Public Auction
\$ 129,000.00	Market Analysis	\$ 31,565.18	\$ 2,814.76	\$ 129,000.00	\$ 477.30	\$ 128,522.70	Cash	\$ 96,957.52	0.420 acres J.B. Hyler Tract Opt 955 Lexington County	Sterling Trust Company, Custodian FBO Clover Rhet Abercrombie, Regatta III, Lot 19, Ret WO 918198 Approved by PSC May 30, 2007	Public Auction
\$ 127,000.00	Market Analysis	\$ 31,119.42	\$ 2,814.76	\$ 127,000.00	\$ 460.90	\$ 126,539.10	Cash	\$ 95,419.68	0.420 acres J.B. Hyler Tract Opt 955 Lexington County	Roland R. III and Leann M. Craft Regatta III, Lot 24, Ret WO 918194 Approved by PSC May 30, 2007	Public Auction
\$ 125,000.00	Market Analysis	\$ 30,338.58	\$ 2,479.67	\$ 125,000.00	\$ 462.50	\$ 124,537.50	Cash	\$ 94,198.92	0.370 acres J.B. Hyler Tract Opt 955 Lexington County	Sieve Small Regatta III, Lot 26, Ret WO 918200 Approved by PSC May 30, 2007	Public Auction
\$ 400,000.00	Market Analysis	\$ 89,802.26	\$ 653.70	\$ 400,000.00	\$ 1,480.00	\$ 398,520.00	Cash	\$ 308,717.74	0.330 acres and 0.090 acres J. B. Hyler Tract Opt 955 Lexington County	Thomas H. and Donna Guidace Pitts Regatta III, Lot 3, Ret WO 918191 Approved by PSC May 30, 2007	Public Auction
\$ 115,000.00	Market Analysis	\$ 28,444.97	\$ 2,814.76	\$ 115,000.00	\$ 425.50	\$ 114,574.50	Cash	\$ 86,129.53	0.420 acres J.B. Hyler Tract Opt 955 Lexington County	Shoppes West Associates, Inc. Regatta III, Lot 17, Ret WO 918192 Approved by PSC May 30, 2007	Public Auction
\$ 115,000.00	Market Analysis	\$ 28,042.86	\$ 2,412.65	\$ 115,000.00	\$ 425.50	\$ 114,574.50	Cash	\$ 86,531.64	0.360 acres J.B. Hyler Tract Opt 955 Lexington County	Shoppes West Associates, Inc. Regatta III, Lot 25, Ret WO 918193 Approved by PSC May 30, 2007	Public Auction
\$ 124,000.00	Market Analysis	\$ 29,780.63	\$ 2,144.58	\$ 124,000.00	\$ 458.80	\$ 123,541.20	Cash	\$ 93,760.57	0.320 acres J.B. Hyler Tract Opt 955 Lexington County	William J. Hunt Regatta III, Lot 22, Ret WO 918190 Approved by PSC May 30, 2007	Public Auction

South Carolina Electric & Gas Comp
Transfers of Real Property to Other Pa.
For the Year 2007
Response: III-B 2.

a.	a.	b.	c.		d.		e.	f.	g.	h.	
Market Value	Market Value Determination	Book Value	Original Purchase Price	Gross Sales Price	Sales Expenses	Net Sales Proceeds	Terms of Sale	Gain (Loss)	Identification	Parties Involved and Other Information	No. of Bids Rec.
\$ 325,000.00	Market Analysis	\$ 76,857.92	\$ 4,424.72	\$ 325,000.00	\$ 1,202.50	\$ 323,797.50	Cash	\$ 246,939.58	0.010 and 0.666 acres J.B. Hyler Tract Opt 955 Lexington County	489 Piney Grove, LLC Regatta III, Lot 7, Ret WO 918199 Approved by PSC May 30, 2007	Public Auction
\$ 127,000.00	Market Analysis	\$ 31,320.47	\$ 3,015.81	\$ 127,000.00	\$ 469.90	\$ 126,530.10	Cash	\$ 95,209.63	0.450 acres J.B. Hyler Tract Opt 955 Lexington County	Ray and Kelli Covington Regatta III, Lot 15, Ret WO 918186 Approved by PSC May 30, 2007	Public Auction
\$ 129,000.00	Market Analysis	\$ 31,297.10	\$ 2,546.68	\$ 129,000.00	\$ 477.30	\$ 128,522.70	Cash	\$ 97,225.60	0.380 acres J.B. Hyler Tract Opt 955 Lexington County	Timothy and Patricia Arpasi Regatta III, Lot 23, Ret WO 918197 Approved by PSC May 30, 2007	Public Auction
\$ 106,000.00	Market Analysis	\$ 26,238.09	\$ 2,613.70	\$ 106,000.00	\$ 392.20	\$ 105,607.80	Cash	\$ 79,369.71	0.390 acres J.B. Hyler Tract Opt 955 Lexington County	Lyvie Freeland Regatta III, Lot 21, Ret WO 918183 Approved by PSC May 30, 2007	Public Auction
\$ 112,000.00	Market Analysis	\$ 28,245.48	\$ 3,283.88	\$ 112,000.00	\$ 414.40	\$ 111,585.60	Cash	\$ 83,340.12	0.490 acres J.B. Hyler Tract Opt 955 Lexington County	Brian and Kelli Theilbar Regatta III, Lot 13, Ret WO 918188 Approved by PSC May 30, 2007	Public Auction
\$ 118,000.00	Market Analysis	\$ 29,298.84	\$ 3,685.99	\$ 118,000.00	\$ 436.60	\$ 117,563.40	Cash	\$ 88,264.56	0.550 acres J.B. Hyler Tract Opt 955 Lexington County	Richard and Jayne Boyle Regatta III, Lot 14, Ret WO 918185 Approved by PSC May 30, 2007	Public Auction
\$ 513,460.00	Market Analysis	\$ 2,949.00	\$ 3,861.54 (land value plus cash boot)	\$ 513,460.00	\$ 5,016.80	\$ 508,443.20	Cash/ Land Exchange	\$ 510,511.00	76,090 acres and 43,500 acres J.C. Auddy Tract Opt 1048 and S.J. Hare Tract Opt 255 - Lexington County	T. H. Poultin, Inc. Equal land exchange plus cash boot Ret WO 918204 Approved by PSC Oct. 9, 2007	N/A
\$ 129,000.00	Market Analysis	\$ 31,967.28	\$ 3,216.86	\$ 129,000.00	\$ 477.30	\$ 128,522.70	Cash	\$ 96,555.42	0.480 acres J.B. Hyler Tract Opt 955 Lexington County	Heather Martin Regatta III, Lot 18, Ret WO 918187 Approved by PSC May 30, 2007	Public Auction
\$ 60,000.00	Appraisal	\$ 337.13	\$ 337.13	\$ 60,000.00	\$ 222.00	\$ 59,778.00	Cash	\$ 59,440.87	0.180 acres South Main Street Substation (Abandoned) Richland County	100 South Main Associates Main St. Substation, Ret WO 918211 Approved by PSC August 29, 2007	N/A
\$ 195,000.00	Appraisal	\$ 59.71	\$ 59.71	\$ 195,000.00	\$ -	\$ 195,000.00	Cash	\$ 194,940.29	0.593 acres J.L. Connor Tract Opt 670 Lexington County	Kartero, LLC Jake's Landing Ret WO 918212	N/A
\$ 200,004.00	Market Analysis	\$ 67.87	\$ 67.87	\$ 200,004.00	\$ 3,540.23	\$ 196,463.77	Cash	\$ 196,395.90	1,270 acres Sol A. Meelze Tract Opt 479 Lexington County	Bart and Elizabeth Teal Monte Point Subdivision, Lot 12 Ret WO 918203	Sealed Bids (1)
\$ 402,800.00	Market Analysis	\$ 60,205.81	\$ 435.68	\$ 402,800.00	\$ 13,789.10	\$ 389,010.90	Cash	\$ 96,555.42	1,120 acres, 5,200 acres, and 3,750 acres W.L. Bedenbaugh Tract Opt 19 Purvis H. Bedenbaugh Tract Opt 22 Carp Price Tract Opt 39 - Saluda County	Saluda Sands, LLC Tapp Fingeland Ret WO 918216	N/A
\$ 129,000.00	Market Analysis	\$ 32,235.36	\$ 3,484.94	\$ 129,000.00	\$ 477.30	\$ 128,522.70	Cash	\$ 96,287.34	0.520 acres J.B. Hyler Tract Opt 955 Lexington County	Robert and Kristin A. Jensen Regatta III, Lot 16, Ret WO 918195 Approved by PSC May 30, 2007	Public Auction
\$ 217,285.00	Market Analysis	\$ 1,185.52	\$ 1,185.52	\$ 217,285.00	\$ 926.77	\$ 216,358.23	Cash	\$ 215,172.71	46,750 acres Letitia E. Goggins Tract Opt 236 Saluda County	Charles H. and Valaine M. Rikard Goggins Tract Ret WO 918213	Sealed Bids (2)
\$ 36,000.00	Market Analysis	\$ 7.61	\$ 7.61	\$ 36,000.00	\$ 133.20	\$ 35,866.80	Cash	\$ 35,859.19	0.180 acres D.L. Harmon Tract Opt 476 Lexington County	Claire Farrell Earth Fill Encroachment Ret WO 918214	N/A
\$ 15,267.35	Market Analysis	\$ 15,267.35	\$ 15,267.35	\$ 15,267.35	\$ -	\$ 15,267.35	Equal Exchange	\$ -	0.333 acres North Charleston, Fain St. Part of Aviation Ave.) Charleston County	Holiday/Cinema, LLC Equal Land Exchange Ret WO 911104	N/A
\$ 610,231.18	Market Analysis	\$ 610,231.18	\$ 610,231.18	\$ 610,231.18	\$ -	\$ 610,231.18	Equal Exchange	\$ -	13,192 acres (exchanged for 5.3 acres) North Charleston, Aviation Ave/Glide Path Tract Charleston County	USA - Charleston Air Force Base Equal Exchange, Ret WO 911106 Approved by PSC 2007	N/A
\$ 250,000.00	Market Analysis	\$ 1,604.12	\$ 1,604.12	\$ 250,000.00	\$ 10,925.00	\$ 239,075.00	Cash	\$ 237,470.88	0.670 acres J.W. Shealy Tract Opt 986 Richland County	John J. Mitchell Twin Gates Lot Ret WO 918215	N/A

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

3. File a record of goods and services sold or exchanged between SCE&G and SCANA or any subsidiary of SCANA during the past calendar year. Compare the current market prices for such goods and services with the prices for which goods and services were exchanged or sold between SCE&G and SCANA or any subsidiary of SCANA.

RESPONSE:

All services provided to SCE&G by SCANA Services, Inc. are included in annual service agreements executed and on file.

Direct Charges from Service Company to SCE&G

<u>Resource</u>	<u>Amount</u>
100 - Labor	22,003,224
190 - PBT	4,866,590
200 - Materials and Supplies	1,238,560
300 - Transportation	564,572
400 - General Business Expense	11,564,648
500 - Outside Services	16,680,631
600 - Company Services	30,760,439
700 - Land and Land Rights	1,950,808
900 - Accounting Overheads	39,306,404
TOTAL	<u>128,935,876</u>

Allocated Charges from Service Company to SCE&G

Resource	Amount
100 - Labor	32,605,268
190 - PBT	11,339,241
200 - Materials and Supplies	1,552,461
300 - Transportation	919,405
400 - General Business Expense	13,307,407
500 - Outside Services	15,943,056
600 - Company Services	22,887,460
900 - Accounting Overheads	2,046,356
TOTAL	100,600,654

SCE&G Billings to Service Company for Use of Assets

TOTAL	7,826,116
--------------	------------------

Direct Charges from Service Company to SCFC

Resource	Amount
100 - Labor	9,006
190 - PBT	3,170
300 - Transportation	153
400 - General Business Expense	627
500 - Outside Services	124,578
TOTAL	137,534

Direct Charges from Service Company to GENCO

<u>Resource</u>	<u>Amount</u>
100 - Labor	299,118
190 - PBT	59,348
200 - Materials and Supplies	1,582
300 - Transportation	9,817
400 - General Business Expense	36,558
500 - Outside Services	363,384
600 - Company Services	179,081
900 - Accounting Overheads	(5,983)
TOTAL	942,905

Allocated Charges from Service Company to GENCO

<u>Resource</u>	<u>Amount</u>
100 - Labor	490,534
190 - PBT	168,639
200 - Materials and Supplies	15,992
300 - Transportation	11,815
400 - General Business Expense	244,877
500 - Outside Services	170,777
600 - Company Services	248,090
900 - Accounting Overheads	441,319
TOTAL	1,792,044

SCE&G Billings to Affiliates

Affiliate	Amount	Description
Carolina Gas Transmission Corporation	15,425	Labor and associated benefits, miscellaneous nonlabor expenses
Public Service Company of NC	67,276	Labor and associated benefits and miscellaneous nonlabor expenses
SCANA Communications, Inc.	47,780	Labor and associated benefits and miscellaneous nonlabor expenses
SCANA Energy Marketing	13	Miscellaneous nonlabor expenses
ServiceCare	<u>55,471</u>	Primarily billing services
TOTAL	<u>185,965</u>	

SCE&G Billings from Affiliates

Affiliate	Amount	Description
Carolina Gas Transmission Corporation	71,669,578	Natural Gas transportation charges
	82,003	Lateral related charges
	44,261	Transmission Rate Case Support
	225,008	CWIP closed to PIS for Salley/Bushy Park purchase
	10,226	New Relief Valve
	15,800	Country Club Town Border charges
	9,202	Misc other non-lateral related support
	<u>72,056,078</u>	
SC Generating Company	<u>146,526,770</u>	Power purchased pursuant to a FERC approved unit power sales agreement
SCANA Energy Marketing	122,365,548	Sale of commodity to Jasper Plant
	<u>14,854,491</u>	Sale of capacity to Jasper Plant
	<u>137,220,039</u>	
SC Development Corporation	<u>157,555</u>	Rent, taxes, and insurance paid in 2007 for Carolina Research Park occupied by SCE&G
SCANA Communications, Inc	<u>60,500</u>	Removal of communications tower

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

4. A) File information on the methodologies used for the allocation of costs between SCANA and its subsidiaries.
- B) File those allocation factors.

RESPONSE:

- A) See attached.
- B) See attached.

Description of Services, Cost Accumulation, Assignment and Allocation Methodologies for

SCANA Services, Inc.

This document sets forth the methodologies used to accumulate the costs of services performed by SCANA Services, Inc. ("SCANA Services") and to assign or allocate such costs to other subsidiaries and business units within SCANA Corporation ("Client Entities").

Cost of Services Performed

SCANA Services maintains an accounting system that enables costs to be identified by Cost Center, Account Number or Project, Activity, Resource, and Event ("Account Codes"). The primary inputs to the accounting system are time records of hours worked by SCANA Services employees, accounts payable transactions and journal entries. Charges for labor are made at the employees' effective hourly rate, including the cost of pensions, other employee benefits and payroll taxes. To the extent practicable, costs of services are directly assigned to the applicable Account Codes. The full cost of providing services also includes certain indirect costs, e.g., departmental overheads, administrative and general costs, and taxes. Indirect costs are associated with the services performed in proportion to the directly assigned costs of the services or other relevant cost allocators.

Cost Assignment and Allocation

SCANA Services costs will be directly assigned, distributed or allocated to Client Entities in the manner prescribed below.

1. Costs accumulated in Account Codes for services specifically performed for a single Client Entity will be directly assigned or charged to such Client Entity.
2. Costs accumulated in Account Codes for services specifically performed for two or more Client Entities will be distributed among and charged to such Client Entities using methods determined on a case-by-case basis consistent with the nature of the work performed and based on one of the allocation methods described below.
3. Costs accumulated in Account Codes for services of a general nature which are applicable to all Client Entities or to a class or classes of Client Entities will be allocated among and charged to such Client Entities by application of one or more of the allocation methods described below.

Allocation Methods

The following methods will be applied, as indicated in the Description of Services section that follows, to allocate costs for services of a general nature.

1. Information Systems Charge-back Rates – Rates for services, including but not limited to Software, Consulting, Mainframe, Midtier and Network Connectivity Services, are based on the costs of labor, materials and Information Services overheads related to the provision of each service. Such rates are applied based on the specific equipment employed and the measured usage of services by Client Entities. These rates will be determined annually based on actual experience and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

2. Margin Revenue Ratio – “Margin” is equal to the excess of sales revenues over the applicable cost of sales, i.e., cost of fuel for generation and gas for resale. The numerator is equal to margin revenues for a specific Client Entity and the denominator is equal to the combined margin revenues of all the applicable Client Entities. This ratio will be evaluated annually based on actual results of operations and may be adjusted for any known and reasonably quantifiable events, or at such time, based on results of operations for a subsequent twelve-month period, as may be required due to significant changes.

3. Number of Customers Ratio – A ratio based on the number of customers served by each subsidiary or operating unit. This ratio will be determined annually based on the actual number of customers and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

4. Number of Employees Ratio – A ratio based on the number of employees benefiting from the performance of a service. This ratio will be determined annually based on actual counts of applicable employees and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

5. Three-Factor Formula – This formula will be determined annually based on the average of gross property, payroll charges (salaries and wages, including overtime, shift premium and holiday pay, but not including pension, benefit and company-paid payroll taxes) and gross revenues and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

6. Modified Three-Factor Method – A ratio for the allocation of non-directly assigned corporate governance costs. The Modified Three-Factor Method provides for an allocation of cost to the parent company; the Three-Factor Method does not. The formula will be determined annually based on the average of gross property, payroll charges (salaries

and wages, including overtime, shift premium and holiday pay, but not including pension, benefit and company paid payroll taxes) and gross revenues. For the purpose of the Modified Three-Factor Method, the dividends resulting from operations of the subsidiaries are used as a proxy for revenues for the parent company.

7. Telecommunications Charge-back Rates – Rates for use of telecommunications services other than those encompassed by Information Systems Charge-back Rates are based on the costs of labor, materials, outside services and Telecommunications overheads. Such rates are applied based on the specific equipment employment and the measured usage of services by Client Entities. These rates will be determined annually based on actual experience and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

8. Gas Sales Ratio – A ratio based on the actual number of dekatherms of natural gas sold by the applicable gas distribution or marketing operations. This ratio will be determined annually based on actual results of operations and may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes.

Description of Services

A description of each of the services performed by SCANA Services, which may be modified from time to time, is presented below. As discussed above, where identifiable, costs will be directly assigned or distributed to Client Entities. For costs accumulated in Account Codes which are for services of a general nature that cannot be directly assigned or distributed, the method or methods of allocation are also set forth. Substitution or changes may be made in the methods of allocation specified above, as may be appropriate, and will be provided to state regulatory agencies and to each affected Client Entity and appropriate notice (through 60-day letter or otherwise) will be given to any controlling regulatory body as required by law.

1. Information Systems Services – Provides electronic data processing services. Costs of a general nature are allocated using the Information Systems Charge-back Rates.

2. Customer Services – Provides billing, mailing, remittance processing, call center and customer communication services for electric and gas customers. Costs of a general nature are allocated using the Margin Revenue Ratio.

3. Marketing and Sales – Establishes strategies, provides oversight for marketing, sales and branding of utility and related services and conducts marketing and sales programs. Costs of a general nature are allocated using the Number of Customers Ratio.

4. Employee Services – Includes Human Resources which establishes and administers policies and oversees compliance with regulations in the areas of employment, compensation and benefits, processes payroll and administers corporate training. Also includes employee communications, facilities management and mail services. Costs of a general nature are allocated using the Number of Employees Ratio or the Modified Three-Factor Method as appropriate.

5. Corporate Compliance – Oversees compliance with all laws, regulations and policies applicable to all of SCANA Corporation's businesses and directs compliance training. Costs of general nature are allocated using the Modified Three-Factor Method.

6. Purchasing – Provides procurement services. Costs of a general nature are allocated using the Three-Factor Formula.

7. Financial Services – Provides treasury, accounting, tax, financial planning, rate and auditing services. Costs of a general nature are allocated using the Three-Factor Formula or the Modified Three-Factor Method as appropriate.

8. Risk Management – Provides services related to the identification and mitigation of risk, and the development and implementation of risk management strategy. Encompasses credit and collections, risk analyses, insurance, claims, security, environmental and safety services. Costs of a general nature are allocated using the Three-Factor Formula or the Modified Three-Factor Method as appropriate.

9. Public Affairs – Maintains relationships with government policy makers, conducts lobbying activities and provides community relations functions. Costs of a general nature are allocated using the Three-Factor Formula or the Modified Three-Factor Method as appropriate.

10. Legal Services – Provides various legal services and general legal oversight; handles claims. Costs of a general nature are allocated using the Modified Three-Factor Formula.

11. Investor Relations – Maintains relationships with the financial community and provides shareholder services. Costs of a general nature are allocated using the Modified Three-Factor Formula.

12. Telecommunications – Provides telecommunications services, primarily the use of telephone equipment. Costs are allocated using the Telecommunications Charge-back Rates.

13. Gas Supply and Capacity Management – Provides gas supply and capacity management services. Services include, but are not limited to: nominating and scheduling gas supply; scheduling transportation service; negotiating gas supply and transportation contracts; purchasing gas supply; posting capacity release and other secondary market transactions; performing other miscellaneous consulting and management support services; and providing any other services as may be requested by the Company from time to time. Costs of a general nature are allocated using the Gas Sales Ratio.

14. Strategic Planning – Develops corporate strategies and business plans. Costs of a general nature are allocated using the Modified Three-Factor Formula.

15. Executive – Provides executive and general administrative services. Costs of a general nature are allocated using the Modified Three-Factor Formula.

16. Gas Control Coordination - Provides system management and monitoring services, including but not limited to: daily confirmations of scheduled transportation volumes, system pressure monitoring, pipeline interconnect management, compressor station management and any other gas control services as may be requested from time. Costs of a general nature are allocated using the Gas Sales Ratio.

SCANA Corporation
Overhead Allocation Rates
2007

Response III-B 4.

<u>Company Name</u>	<u>Margin Revenue Ratio</u>	<u>Number of Customers</u>	<u>Number of Employees</u>	<u>Three Factor Formula</u>	<u>Modified Three Factor</u>	<u>Gas Sales Ratio</u>
South Carolina Electric & Gas Company	75.04%	32.59%	65.27%	63.28%	62.64%	
Electric						
Gas	7.37%	15.58%	9.72%	5.10%	5.05%	14.88%
Carolina Gas Transmission Company			2.23%	2.25%	2.24%	
South Carolina Generating Company, Inc.			1.97%	2.92%	2.88%	
SCANA Communications, Inc.			0.18%	0.39%	0.39%	
Primesouth, Inc.			0.00%	0.00%	0.00%	
SCANA Energy Marketing, Inc.	7.21%	25.70%	1.42%	13.12%	12.68%	61.42%
Public Service of North Carolina, Inc.	10.38%	23.20%	18.50%	12.71%	12.55%	23.70%
ServiceCare, Inc.		2.93%	0.71%	0.23%	0.23%	
SCANA Holding					1.34%	
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*Primesouth, Inc. was sold on April 1, 2007, therefore, the above rates reflect the necessary revisions due to this sale.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

5.
 - A) File a record of any type of collateral belonging to SCE&G used to support any financial arrangement on behalf of any subsidiary of SCANA.
 - B) File information on the type of financial arrangement involved.
 - C) File a description of the collateral pledged in support of the financing arrangement.
 - D) File the reason for pledging any assets as collateral for an affiliate.

RESPONSE:

There is no collateral of SCE&G that supports financial arrangements of any other subsidiary of SCANA.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

6. File the percent of time of each officer of SCE&G and the regulated subsidiaries of SCANA Corporation allocated to each subsidiary of SCANA for the prior calendar year.

RESPONSE:

See attached information.

2007 Officer Salary Allocation

[illegible]

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

7. SCE&G or any regulated subsidiary of SCANA Corporation will file a summary of affiliated transactions by each regulated affiliate by type of transaction completed during the year. The summary will include the gross dollar amount of each transaction and a reference to any relevant contract or agreement.

RESPONSE:

See Response to III-B 3.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

8. SCE&G will file a statement certifying that all affiliated transactions were determined consistent with any procedures approved by the Commission within this proceeding.

RESPONSE:

See attached Statement of Certification.

STATE OF SOUTH CAROLINA)

)

CERTIFICATION

COUNTY OF RICHLAND)

I, K. Chad Burgess, on behalf of SCE&G, certify that I have reviewed the sections of this annual report concerning affiliated transactions and hereby certify that they are consistent with Commission procedures developed in Docket No. 89-230-E/G, Order No. 92-931.

A handwritten signature in black ink, appearing to read "K. Chad Burgess", is written over a horizontal line.

K. Chad Burgess

June 30, 2008

Date

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

9. A) SCE&G and any regulated subsidiary of SCANA will file information on any new contracts and leases with affiliated companies and a brief description of each contract including the terms, price, quantity, and duration.
- B) File information as to whether competitive bids were taken.

RESPONSE :

- A) SCE&G entered into an agreement with SCANA Communications, Inc. to lease grounds for construction of a telecommunications tower site at South Carolina Highway 6 and Culclasure Lane, St. Matthews, SC. Effective date is February 1, 2007. Initial term is for 5 years, then 5-year terms through January 31, 2057. Rent paid to SCE&G is \$1/month for initial term, to be paid in an annual payment, plus \$350/month (or 25% of tower tenants' rents, whichever is less) for each additional tenant. Escalation at renewal of 15%. Escalations of 3% after extended terms have been exhausted.

SCE&G entered into an agreement with SCANA Communications, Inc. to lease space on a telecommunications tower site at South Carolina Highway 7 and Culclasure Lane, St. Matthews, SC. Effective date is August 22, 2007. Initial term is 5 years, then 5-year renewal terms through 08/21/2057. Rent paid to SCI is \$2,950/month for initial term, less 25% of any rent paid to SCI by third party sublessee's or sublicensees on the tower. Escalation at renewal of 15%.

SCE&G entered into a contract with CGTC for a station modification to meet the growing customer demand in the Pee Dee area, and for an increase in transportation assets. The effective date of the contract is 11/01/2007. Unless renewed, the contract is scheduled to expire on 10/31/2009.

- B) No competitive bids were taken.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

10. SCE&G and any regulated subsidiary of SCANA Corporation will file a list of employees earning more than \$50,000 annually transferred to/from the regulated subsidiary to another affiliated company. The listing will contain the following information for each affected employee:
- a. old job assignment with the regulated subsidiary
 - b. new job assignment at the affiliate
 - c. whether transfer is permanent or temporary; and if temporary, the expected duration.

RESPONSE:

See attached information.

RESPONSE III-B 10.

EMPLOYEE NAME	OLD COMPANY	OLD JOB ASSIGNMENT	NEW COMPANY	NEW JOB ASSIGNMENT	PERM/TEMP
Anderson, Elizabeth Reid	SC Electric and Gas	Supv-Business Office	SCANA Services	Supv-Remittance	Permanent
Clark, Jacinta Monroe	SCANA Services	Spec-Safety Enviro & Training	Carolina Gas Transmission Corp	Advisor-Safety I	Permanent
Collins, Jane Marie	SCANA Services	Mgr-Contact Center	PSNC Energy	Gen Mgr-Business Analysis	Permanent
Crapps, Ronald G	SC Electric and Gas	Technician -Sr	SCANA Services	Tech-Telecommunication III	Permanent
Crosby, Wayne	SCANA Services	Admin-Field Training	SC Electric and Gas	Supv-AMR Inventory Quality	Permanent
De, Sahadeb	SCANA Services	Developer-Applications III	SC Electric and Gas	Developer-Applications III	Permanent
Ferguson, Michael R	SC Electric and Gas	Mgr-Materials	Carolina Gas Transmission Corp	Mgr-Materials	Permanent
Gantt, Sharon Jones	SCANA Services	Trainer-Cust Svc III	SCANA Energy Marketing	Trainer-Cust Svc III	Permanent
Gibson, Julia J	SCANA Services	Supv-Contact Center	SC Electric and Gas	Supv-Business Office	Permanent
Gillespie, Roby M	Carolina Gas Transmission Corp	Technician-Meter	SC Electric and Gas	Spec-Engineering-Gas II	Permanent
Harman, Carla K	SCANA Services	Supv-Remittance	SC Electric and Gas	Supv-Business Office	Permanent
Hartemann, Douglas Edward	PSNC Energy	Analyst-GIS Applic Devel/Syst	SCANA Services	Analyst-GIS Applic Devel/Syst	Permanent
Hutson, Jennifer Lynn	SC Electric and Gas	Supv-Business Office	SCANA Services	Supv-Training	Permanent
Lovelace Jr, William K	PSNC Energy	Rep-Field Services II	SCANA Services	Supv-Central Opns Processing	Permanent
McDonald Jr, Neal A	SCANA Services	Admin-Corp Policies & Procedur	SC Electric and Gas	Training-Craft III	Permanent
Mickle, Lorraine R	SCANA Energy Marketing	Coord-Inside Sales Support	SCANA Services	Analyst	Permanent
Penz, Kimberly Dahl	SCANA Services	Marketing Manager	SCANA Energy Marketing	Marketing Manager	Permanent
Reyes, Michael Jorge	SCANA Services	Developer-Applications III	SC Electric and Gas	Developer-Applications III	Permanent
Shirk, Vincent F	SCANA Services	Supv-Billing/Elec Flow Meas	Carolina Gas Transmission Corp	Supv-Billing/Elec Flow Meas	Permanent
Spadaro, Sidney E	SCANA Services	Analyst	Carolina Gas Transmission Corp	Analyst	Permanent
Starnes, Kevin Ray	SCANA Services	Analyst-Infrastructure II	SC Electric and Gas	Developer-Applications II	Permanent
Sutton, Connie M	SCANA Services	Mgr-Cust Svcs Training	SCANA Energy Marketing	Mgr-Cust Svcs Training	Permanent
Washington, Ruby L	SC Electric and Gas	Supv-Business Office	SCANA Services	Supv-Billing	Permanent
Wright, Gary W	PSNC Energy	Mgr-Field Accounting	SC Electric and Gas	Mgr-Division	Permanent
Zai, Yingkai	SCANA Services	Developer-Applications II	SC Electric and Gas	Engineer-Jr	Permanent

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

11. SCE&G and the regulated subsidiaries of SCANA Corporation will be required to keep supporting records of reported transactions to facilitate auditing and analysis and shall maintain an audit trail from the summary report through the general ledger to the source documents supporting the transaction.

RESPONSE:

SCE&G maintains supporting records of transactions that provide for an audit trail.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

12. SCE&G and the regulated subsidiaries of SCANA Corporation will maintain for Commission review (not to be filed annually) written reports of individual affiliated transactions.

RESPONSE:

SCE&G maintains sufficient documentation for Commission review of individual affiliated transactions.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

13. SCE&G will develop and file with the Commission a policy statement prohibiting affiliate preferences in the conduct of its affiliated transactions. The Company will modify its policy statement as necessary and file the modified policy statement with the Commission.

RESPONSE:

The Company intends to continue to ensure that its affiliated transactions are undertaken in accordance with S.C. Code Ann., §58-27-2090 (1976), as amended. SCANA Corporation has issued the attached Policy Statement applicable to all subsidiaries, including SCE&G, that prohibits affiliate preferences in the conduct of intercompany transactions.

**POLICY STATEMENT ISSUED PURSUANT TO
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA ORDER NO. 92-931**

SCANA is an energy-based holding company whose subsidiaries operate regulated electric and natural gas utility businesses; telecommunications; and energy marketing, power plant management and maintenance services, and other energy-related products and services. It is essential that the employees of each subsidiary understand the direction of the holding company as well as the specific mission of their subsidiary. All SCANA subsidiaries collectively benefit from each one achieving success individually. Because some of the subsidiaries are subject to economic regulation and some are not, it is very important that the business relationships between them not only "be right," they must "look right." To that end, the following policy statement provides a framework for those relationships in order to maintain the integrity of the employees and organizations under the SCANA umbrella. This policy is issued in accordance with Order No. 92-931 of the Public Service Commission of South Carolina. It supersedes and replaces any previous such policy statement regarding the business relationships among subsidiaries.

All subsidiaries will conduct business in a manner that complies with Public Service Commission Order No. 92-931 and § 58-27-2090 of the South Carolina Code of Laws. The order and the statute contain requirements for transactions between regulated utilities and their affiliated companies.

Each subsidiary has its own capital structure and lines of credit. Business or financial risk associated with the creation or operation of non-regulated SCANA subsidiaries will not be borne by the customers of a regulated subsidiary.

All transactions between the regulated and the non-regulated subsidiaries must be conducted at "arms length." Charges for goods or services exchanged between any regulated subsidiary and SCANA or between any regulated subsidiary and another subsidiary must be reasonable, fair, and have no injurious effect on the public interest.

Sales of utility property or the reclassification of utility property to non-utility property must follow the notice and reporting requirements that are specified in Public Service Commission Order No. 92-931.

Each subsidiary's benefit and compensation program as well as its policies and procedures must be tailored to the particular business focus and situation of that subsidiary.

No regulated subsidiary will disclose customer proprietary information to any other subsidiary. Customer proprietary information means any information that if released could cause the customer competitive injury.

The ultimate goal for each subsidiary is to create value for the shareholders of SCANA Corporation. The role of the holding company is to assure that the collective efforts of all the subsidiaries remain focused on increasing long-term shareholder value.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

14. A) SCANA Corporation, SCE&G, and any other regulated subsidiaries of SCANA will file the names of any of their affiliated companies and a description of the business and financial operations of each company.
- B) For any new subsidiary also file the initial amount of the investment and the source of funds for the investment.
- C) The Commission will be notified of the creation of any new corporate subsidiary or business entity of SCANA Corporation or any of its public utility subsidiaries within twenty (20) days of either the filing of Articles of Incorporation or the final action creating the business entity.
- D) File an organizational chart for consolidated SCANA Corporation and each regulated subsidiary.
- E) File information on any changes in corporate structure during the prior calendar year including any partnerships, minority interests, and joint ventures entered into by SCANA Corporation or any of its affiliated companies. This includes any such arrangements between SCANA or any of its affiliates with an external entity.

RESPONSE:

The corporate organization of SCANA Corporation is described on page 5 of the SCANA Form 10-K. Identifications of the Directors and Officers of SCANA Corporation are provided on pages 124-127 of the SCANA Form 10-K as referenced under the Reports Tab.

The Commission will be notified of the creation of any new corporate subsidiary or business entity of SCANA Corporation or any of its public utility subsidiaries within twenty (20) days of either the filing of Articles of Incorporation or the final action creating the business entity.

III-B

AFFILIATE TRANSACTIONS REPORTING REQUIREMENTS

15. SCE&G will notify the Commission when it has retained the services of another contractor/company to perform services for the Company and the retained contractor/company thereafter utilizes the services of SCANA Corporation or any of its subsidiaries. The notification will be filed within thirty (30) days of the execution of the subcontract or other arrangement and will contain a summary of the arrangement, the name of the contractor/company providing the services, a statement whether the services were competitively bid, the procedure used by the contractor/company to retain SCANA Corporation or any of its subsidiaries, the type of services being provided by SCANA Corporation and any of its subsidiaries, and the manner in which these arrangements impact the regulated operations of SCE&G.

RESPONSE:

The Commission will be notified within thirty (30) days of the execution of a subcontract or other arrangement with another contractor/company to perform services for the Company and the retained contractor/company thereafter utilizes the services of SCANA Corporation or any of its subsidiaries.

IV-B

PROPERTY TRANSACTIONS REPORTING REQUIREMENTS

1. On any occasion that SCE&G or any other regulated subsidiary of SCANA Corporation accepts anything other than the highest bid for real property, that company must provide adequate justification to the Commission.

SCE&G will file with the Commission the following:

- a. A copy of the notification of sale required by FERC for sales of real property less than five acres.
- b. For sales of real property with an appraisal in excess of \$50,000 and the Company accepts a bid other than the highest bid, the Company will provide an explanation as to why it accepted an offer other than the highest bid.
- c. Any proposed partitioning before a tract of land is sub-divided into parcels having a market value of less than \$150,000.

RESPONSE:

The procedure as stated in the 1992 Annual Reporting Requirements is being followed.

IV-B

PROPERTY TRANSACTIONS REPORTING REQUIREMENTS

2.
 - A) On any occasion when real property is moved from a classification as utility property to a classification as non-utility property, SCE&G and any regulated subsidiary of SCANA Corporation must provide notification of such a transaction to the Commission. This notification will be included in the annual summary of the reclassification of utility property to non-utility property.
 - B) Prior notification will be provided for any transaction in excess of \$500,000, and an annual summary of the reclassification of utility property to non-utility property will be filed with the Commission. The transaction that moves the property from utility to non-utility will be made at book value. SCE&G will include an explanation of the reason for the transfer, if known.

RESPONSE:

- A) During 2007, no real property classified as utility property was moved to non-utility property.
- B) During 2007, no utility property in excess of \$500,000 was reclassified as non-utility property.

PROPRIETARY CUSTOMER INFORMATION REPORTING REQUIREMENTS

1. SCE&G will file a copy of the procedures that were established to comply with the recommendation that the regulated utility will not disclose proprietary customer information without the consent of the customer.

RESPONSE:

See attached pages of SCANA's 2007 Code of Conduct & Ethics.

The Company is further committed to the proper permitting and handling of all materials stored, distributed, processed, manufactured, produced, handled, installed or otherwise utilized in its activities as required by all applicable environmental, health and safety laws.

Any questions or actual or suspected violations should be reported to the chain of command, the Environmental Services Department, the Corporate Compliance Office or the confidential Compliance Helpline at 1-888-97-SCANA. (See contact list on inside back cover.)

Company Property and Information

You are expected to protect the Company's assets and ensure their efficient use. Company assets should be used for legitimate business purposes. Company assets include information, technology, intellectual property (for example, copyrights, patents and trademarks), computers, computer networks and internet access, buildings, land, equipment, vehicles, machines, telephones, voice mail, e-mail, copiers, software, cash, as well as the time and skills of employees. By using company property or equipment you consent to the Company's monitoring of that use and acknowledge that you have no expectation of privacy regarding the use of company property and equipment.

All information (including business expenses, timesheets, customer payments, and other SCANA activities) must be recorded and reported accurately and honestly. All transactions must be carried out in accordance with management's authorization and be properly recorded. Employees are reminded to accurately report time worked on their timesheets. This is particularly important if they perform work for more than one SCANA subsidiary.

Information about SCANA employees' and customers is confidential and is not to be distributed outside of the Company without proper authorization. Confidential information includes all non-public information that might be of use to competitors, or harmful or embarrassing to the Company, its customers, or employees if disclosed. Nor is confidential information to be accessed except for a legitimate business purpose. In fact, confidential company information should only be accessed for a legitimate business reason and only disclosed in accordance with rules and policies on disclosure.

SCANA is a family of companies – some regulated and some not. There are often rules against sharing information among these subsidiaries or even within subsidiaries. If you don't know the rules, contact your supervisor.

SCANA is a family of companies—some regulated and some not. There are often rules against sharing information among these subsidiaries. If you don't know the rules, contact your supervisor.

Confidential business information gained while employed at SCANA should not be shared with anyone. This obligation continues even after retirement or the end of your employment with SCANA. If you are unsure about what constitutes confidential information, contact your supervisor or the Corporate Compliance Officer. Misuse of Company property, including confidential information, should be

COMPLIANCE HELPLINE 1-888-97-SCANA

reported through your normal chain of command, to an appropriate Company officer, the Corporate Compliance Officer, the Corporate Security Department or the confidential Compliance Helpline at 1-888-97-SCANA. (See contact list on inside back cover.)

Records Management Policy

You are expected to understand and comply with all laws, regulations and company policies regarding records management. In certain instances serious penalties can be imposed for improper records management. If you are unsure of these requirements, you should discuss this with your normal chain of command or the Corporate Secretary. (See contact list on inside back cover.) See SCANA's Corporate Records Management Program on the Intranet at <http://intranet.scana.com/home/crmprogram/default.asp>.

Electronic Media

Electronic media may not be used for accessing, transmitting, retrieving or storing any communications of a discriminatory or harassing nature, or which are derogatory to any individual or group. Electronic media includes, but is not limited to, email, web message boards, blogs, chat rooms and IM's. Prohibited communications include, but are not limited to, communications which are offensive, obscene, X-rated, defamatory, threatening, illegal, confidential and proprietary, against company policy or contrary to the Company's interest. Also prohibited is the downloading without appropriate authorization of any music or copyrighted material from the Internet.

Anyone obtaining electronic information must respect all copyrights and may not copy, retrieve, modify, download or forward copyrighted materials except as permitted by the copyright owner. Generally an individual subscriber may make a single copy for reference use only. [Note: Restrictions on the use of copyrighted material apply to hard copy as well as electronic versions of material.]

For additional information, please refer to the Company's electronic media policy (<http://portal.scana.com/KMCommunity/SCANA/Documents/ElectronicMediaPolicy.doc>) or the electronic media brochure (<http://portal.scana.com/kmcommunity/scana/documents/electronicmediapolicy.doc>) that may be found on the Intranet. Also available on the Intranet for reference are SCANA's Enterprise Security and Enterprise Cyber Security Policies (<http://intranet.scana.com/esap/default.asp>). You may also consult your chain of command, the Legal Department or the Corporate Compliance Office. (See contact list on inside back cover.)

Certain violations can result in disciplinary action up to and including termination of employment and the possibility of criminal prosecution.



“Hey Oscar, my co-worker has a great sense of humor, but takes his joke-telling to the extreme with racial, religious and even sex-related jokes. He also e-mails them to others in our department. Is this worth talking about?”

“Yes, it is. This behavior is not respectful and violates our Code.”

CONTACTS

CORPORATE COMPLIANCE

Carlette Walker (Compliance Officer)

(803) 217-6323

Vickie Smith (Manager)

(803) 217-7998

Helpline

1-888-97-SCANA

Web site Address

<http://inside.scana.com/conduct/>

GENERAL COUNSEL'S OFFICE (LEGAL)

Frank Mood (General Counsel)

(803) 217-8684

Pat Hudson (Director)

(803) 217-9764

Catherine Taylor (FERC Compliance Officer)

(803) 217-9356

CHIEF FINANCIAL OFFICER

Jimmy Addison

(803) 217-9391

CONTROLLER

Jim Swan

(803) 217-6017

CORPORATE SAFETY

Lee Saffey

(803) 217-8414

CORPORATE SECRETARY'S OFFICE

Lynn Williams (Corporate Secretary)

(803) 217-9863

Gina Champion (Asst. Corporate Secretary)

(803) 217-7568

CORPORATE SECURITY

Ronald Goebel

(803) 217-9512

ENVIRONMENTAL SERVICES

Randy Mahan

(803) 217-9588

GOVERNMENTAL AFFAIRS

Charles McFadden

(803) 217-9247

HUMAN RESOURCES

Joe Bouknight

(803) 217-9263

INVESTOR RELATIONS

John Wynn, III

(803) 217-9466

(803) 217-9240

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Reports listed below were previously filed as hard copies and are now available on SCANA's External Website.
Hard copies may be obtained upon request.

Report Name	Internet Address
SCANA Proxy Statement	www.scana.com/en/investor-relations/financial-reports/
SCANA Statistical Supplement	www.scana.com/en/investor-relations/financial-reports/
SCANA Mid-Year Report	www.scana.com/en/investor-relations/financial-reports/
SCANA/SCE&G FORM 8-K	www.scana.com/en/investor-relations/financial-reports/
SCANA/SCE&G FORM 10-K	www.scana.com/en/investor-relations/financial-reports/
SCANA/SCE&G FORM 10-Q	www.scana.com/en/investor-relations/financial-reports/
SCE&G Prospectus Supplement	See attached.
PSNC Energy Financial Statements	www.psnenergy.com/en/financial-statements/

PROSPECTUS SUPPLEMENT
(To Prospectus dated August 7, 2007)

\$250,000,000



South Carolina Electric & Gas Company

First Mortgage Bonds, 6.05% Series due January 15, 2038

We are offering \$250 million aggregate principal amount of our First Mortgage Bonds, 6.05% Series due January 15, 2038, which we refer to herein as the New Bonds. We will pay interest on the New Bonds semiannually in arrears on January 15 and July 15 of each year, beginning July 15, 2008.

The New Bonds may be redeemed at our option, at any time in whole or from time to time in part, at a redemption price equal to 100% of the principal amount of the New Bonds being redeemed or such greater amount as calculated herein, together with accrued and unpaid interest to the redemption date. See "Terms of the New Bonds—Optional Redemption."

We will not make application to list the New Bonds on any securities exchange or to include them in any automated quotation system.

Investing in our New Bonds involves risks. See "Risk Factors" on page S-2 and on page 7 of the accompanying prospectus.

	<u>Per New Bond</u>	<u>Total</u>
Price to Public ⁽¹⁾	99.903%	\$249,757,500
Underwriting Discount	0.875%	\$ 2,187,500
Proceeds to SCE&G Before Expenses ⁽¹⁾	99.028%	\$247,570,000

⁽¹⁾ Plus accrued interest, if any, from January 14, 2008, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus supplement and the accompanying prospectus are truthful and complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the New Bonds in book-entry form only through The Depository Trust Company on or about January 14, 2008.

Joint Book-Running Managers

BNY CAPITAL MARKETS, INC.

CREDIT SUISSE

MORGAN STANLEY

Co-Manager

MIZUHO SECURITIES USA INC.

January 7, 2008

\$250,000,000



South Carolina Electric & Gas Company

First Mortgage Bonds, 6.05% Series due January 15, 2038

PROSPECTUS SUPPLEMENT

January 7, 2008

Joint Book-Running Managers

***BNY CAPITAL MARKETS, INC.
CREDIT SUISSE
MORGAN STANLEY***

Co-Manager

MIZUHO SECURITIES USA INC.

December 31, 2006, referring to the adoption of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," effective December 31, 2006), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

VALIDITY OF THE SECURITIES

McNair Law Firm, P.A., of Columbia, South Carolina, and Francis P. Mood, Jr., Esq., our Senior Vice President and General Counsel, will pass upon the validity of the securities for us. Troutman Sanders LLP, of Richmond, Virginia, may pass upon certain legal matters in connection with the securities for any underwriters, dealers or agents and, in passing upon such legal matters, Troutman Sanders LLP is entitled to rely as to all matters of South Carolina law upon the opinion of Francis P. Mood, Jr., Esq. From time to time, Troutman Sanders LLP renders legal services to us and certain of our subsidiaries.

At July 31, 2007, Francis P. Mood, Jr., Esq., owned beneficially 961 shares of SCANA's common stock, including shares acquired by the trustee under SCANA's Stock Purchase-Savings Program by use of contributions made by Mr. Mood and earnings thereon and including shares purchased by the trustee by use of SCANA contributions and earnings thereon.

Only those underwriters identified in the applicable pricing or prospectus supplement are deemed to be underwriters in connection with the securities offered in the applicable pricing or prospectus supplement.

We may distribute the securities from time to time in one or more transactions at a fixed price or prices, which may be changed, or at prices determined as the applicable pricing or prospectus supplement specifies. We may sell securities through forward contracts or similar arrangements. In connection with the sale of securities, underwriters, dealers or agents may be deemed to have received compensation from us in the form of underwriting discounts or commissions and also may receive commissions from securities purchasers for whom they may act as agent. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they may act as agent.

We may sell the securities directly or through agents we designate from time to time. Any agent involved in the offer or sale of the securities covered by this prospectus, other than at the market offerings of Common Stock, will be named in a pricing or prospectus supplement relating to such securities. At the market offerings of Common Stock may be made by agents. Commissions payable by us to agents will be set forth in a pricing or prospectus supplement relating to the securities being offered. Unless otherwise indicated in a pricing or prospectus supplement, any such agents will be acting on a best-efforts basis for the period of their appointment.

Some of the underwriters, dealers or agents and some of their affiliates who participate in the securities distribution may engage in other transactions with, and perform other services for, us and our subsidiaries or affiliates in the ordinary course of business.

Any underwriting or other compensation which we pay to underwriters or agents in connection with the securities offering, and any discounts, concessions or commissions which underwriters allow to dealers, will be set forth in the applicable pricing or prospectus supplement. Underwriters, dealers and agents participating in the securities distribution may be deemed to be underwriters, and any discounts and commissions they receive and any profit they realize on the resale of the securities may be deemed to be underwriting discounts and commissions under the Securities Act of 1933. Underwriters, and their controlling persons, and agents may be entitled, under agreements entered into with us, to indemnification against certain civil liabilities, including liabilities under the Securities Act of 1933.

EXPERTS

The financial statements, financial statement schedule, and management's report on the effectiveness of internal control over financial reporting, all incorporated in this prospectus by reference from SCANA's Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports which are also incorporated by reference (which reports (1) express an unqualified opinion on the financial statements and financial statement schedule and include an explanatory paragraph in the Form 10-K for the year ended December 31, 2006, referring to the adoption of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," effective December 31, 2006, (2) express an unqualified opinion on management's assessment regarding the effectiveness of internal control over financial reporting, and (3) express an unqualified opinion on the effectiveness of internal control over financial reporting), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The financial statements and related financial statement schedule incorporated in this prospectus by reference from SCE&G's Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is also incorporated by reference (which report expresses an unqualified opinion on the financial statements and financial statement schedule and includes an explanatory paragraph in the Form 10-K for the year ended

Redemption notices will be sent to DTC. If less than all of an issue of Securities are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Securities to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the trustee for the related issue of Securities (the "Agent"), as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption premium, if any, on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC (nor its nominee), the Agent or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest or distributions and dividend payments (as applicable) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of us or the Agent, disbursement of such payments to Direct Participants is DTC's responsibility, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities by giving reasonable notice to us or the Agent. We also may decide to discontinue use of the book-entry only system through DTC (or a successor depository). In either situation, if a successor securities depository is not obtained, Securities in certificated form will be printed and delivered to each Beneficial Owner in accordance with the applicable rules and procedures of DTC on file with or as approved by the SEC.

PLAN OF DISTRIBUTION

We may sell securities to one or more underwriters or dealers for public offering and sale by them, or we may sell the securities to investors directly or through agents. The pricing supplement (in the case of Notes) or prospectus supplement (in the case of Common Stock, New Bonds or Preferred Stock) relating to the securities being offered will set forth the terms of the offering and, in the case of a prospectus supplement relating to an offering of Common Stock, New Bonds or Preferred Stock, the method of distribution, and will identify any firms acting as underwriters, dealers or agents in connection with the offering, including:

- the name or names of any agents or underwriters;
- the purchase price of the securities and the proceeds to us from the sale;
- any underwriting discounts, sales commissions and other items constituting underwriters' compensation;
- any public offering price;
- any commissions payable to agents;
- any discounts or concessions allowed or reallocated or paid to dealers; and
- any securities exchange or market on which the securities may be listed.

Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and, together with the Direct Participants, "DTC Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to DTC's Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. However, Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of beneficial ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Securities, unless the use of the book-entry only system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities. DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Our Relationship with the Bond Trustee

The Bond Trustee and/or one or more of its affiliates, may be lenders under our, or our subsidiaries' or affiliates', credit agreements and may provide other commercial banking, investment banking and other services to us and/or our subsidiaries or affiliates. The Bond Trustee will be permitted to engage in other transactions with us and/or our subsidiaries or affiliates; however, if the Bond Trustee acquires any conflicting interest, as defined in the Trust Indenture Act, it must eliminate the conflict or resign.

DESCRIPTION OF THE PREFERRED STOCK

The preferences, limitations and relative rights of the Preferred Stock will be established by or as authorized by SCE&G's Board of Directors and will be set forth in articles of amendment to SCE&G's restated articles of incorporation. These will be described in more detail in the applicable prospectus supplement.

BOOK-ENTRY SYSTEM

If provided in the applicable pricing or prospective supplement, except under the circumstances described below, we will issue each of the Notes or New Bonds sold pursuant to this prospectus (the "Securities") as one or more global certificates (each a "Global Certificate"), each of which will represent beneficial interests in the Securities. We will deposit those Global Certificates with, or on behalf of The Depository Trust Company, New York, New York ("DTC") or another depository which we subsequently designate (the "Depository") relating to the Securities, and register them in the name of a nominee of the Depository.

So long as the Depository, or its nominee, is the registered owner of a Global Certificate, the Depository or its nominee, as the case may be, will be considered the owner of that Global Certificate. We will make payments of principal of, any premium, and interest on the Global Certificate to the Depository or its nominee, as the case may be, as the registered owner of that Global Certificate. Except as set forth below, owners of a beneficial interest in a Global Certificate will not be entitled to have any individual Securities registered in their names, will not receive or be entitled to receive physical delivery of any Securities and will not be considered the owners of Securities.

Accordingly, to exercise any of the rights of the registered owners of the Securities, each person holding a beneficial interest in a Global Certificate must rely on the procedures of the Depository. If that person is not a Direct Participant (as defined below), then that person must also rely on procedures of the Direct Participant through which that person holds its interest.

DTC

The following information concerning DTC and its book-entry system has been obtained from sources that we believe to be reliable, but neither we nor any underwriter, dealer or agent take any responsibility for the accuracy of that information.

DTC will act as securities depository for the Global Certificates. The Global Certificates will be issued initially as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issues, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform

- We default under any Class A Mortgage. (Section 1101)

If an Event of Default occurs and is continuing, either the Bond Trustee or the Holders of 25 principal amount of the Outstanding Bonds may declare the principal amount of all of the Outstanding Bonds to be immediately due and payable. After the declaration of acceleration has been made, but before the sale of any of the Mortgaged Property and before the Bond Trustee has obtained a judgment or decree for payment of money, the Event of Default giving rise to such declaration of acceleration will be deemed to be waived, and such declaration and its consequences will be rescinded and annulled, if we (a) pay to the Bond Trustee all overdue interest, principal and any premium on any Outstanding Bonds and (b) cure the other such Event of Default. (Sections 1102 and 1117)

The Holders of a majority in principal amount of the Outstanding Bonds may direct the time, method and place of conducting any proceeding for the enforcement of the Mortgage available to the Bond Trustee or exercising any trust or power conferred on the Bond Trustee. No Holder of any Bond has the right to institute any proceeding with respect to the Mortgage, or for the appointment of a receiver or for any other remedy thereunder, unless:

- that Holder previously gave written notice of a continuing Event of Default to the Bond Trustee;
- the Holders of a majority in principal amount of Outstanding Bonds have offered to the Bond Trustee reasonable indemnity against costs and liabilities and requested that the Bond Trustee take action,
- the Bond Trustee declined to take action for 60 days, and
- the Holders of a majority in principal amount of Outstanding Bonds have given no inconsistent direction during such 60-day period;

provided, however, that each Holder of a Bond has the right to enforce payment of that Bond when due (Sections 1111, 1112 and 1116)

In addition to the rights and remedies provided in the Mortgage, the Bond Trustee may exercise any right or remedy available to the Bond Trustee in its capacity as the owner and holder of Class A Bonds, any, which arises as a result of a default under any Class A Mortgage. (Section 1119)

Restrictions on Payment of Dividends

The Mortgage prohibits us from declaring and paying dividends on any shares of our common stock except from either (1) the excess (the "Surplus") of our net assets over our Capital (as defined herein) or (2) if there is no Surplus, our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year; provided, that no dividends may be declared if and while our Capital is significantly impaired as described in the Mortgage. "Capital" is defined in the Mortgage to mean the part of the consideration we received for any shares of our capital stock as determined by our board of directors to be capital or, if our board has not made such a determination, the aggregate par amount of shares having par value plus the amount of consideration for such shares without par value. All of the outstanding shares of our common stock are held of record by SCANA. (Section 711)

Evidence of Compliance and Indemnification of Bond Trustee

The Trust Indenture Act requires that we give the Bond Trustee, at least annually, a brief statement of our compliance with the conditions and covenants under the Mortgage. (Article Eight)

The Bond Trustee will be under no obligation to exercise any of the rights or powers vested in it by the Mortgage at the request or direction of any Holder pursuant to the Mortgage, unless such Holder shall have offered to the Bond Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. (Section 1603)

Modification of Mortgage

We may, without the consent of any holders of outstanding Bonds, enter into supplemental indentures for, including but not limited to, the following purposes:

- to add to our covenants for the benefit of the holders or to surrender a right or power conferred upon us in the Mortgage,
- to correct or amplify the description of any property at any time subject to the lien of the Mortgage, or to subject to the lien of the Mortgage additional property,
- to establish the form or terms of any series of Bonds,
- to make any other changes to or eliminate provision of the Mortgage required or contemplated by the Trust Indenture Act, or
- to make certain other modifications, generally of a ministerial or immaterial nature. (Section 1701)

We may amend the Mortgage for other purposes only with the consent of the holders of a majority in principal amount of the Bonds then outstanding, considered as one class, unless such amendment directly affects the rights of the holders of Bonds of one or more, but less than all, series, in which case only the consent of the holders of a majority in principal amount of the affected series of the Bonds then outstanding, considered as one class, need be obtained. However, without the consent of the holder of each affected outstanding Bond, we may not amend the Mortgage for the following purposes:

- to change the stated maturity of the principal of, or any installment of principal of or interest on, any Bond or to reduce the principal amount, the interest rate of, any other amount payable in respect of or any premium payable on the redemption of any Bond;
- to reduce the principal amount of any Bond which is a Discount Security (as defined in the Mortgage) that would be due upon a declaration of acceleration of that Bond's maturity;
- to change the currency of any payment of principal of or any premium or interest on any Bond;
- to impair the right to institute suit for the enforcement of any payment on or with respect to any Bond after the stated maturity or redemption date of that Bond;
- to permit the creation of any lien ranking prior to the lien of the Mortgage with respect to all or substantially all of the Mortgage Property or terminate the lien of the Mortgage on all or substantially all of the Mortgaged Property, or otherwise deprive such holder of the benefit of the security of the lien of the Mortgage;
- reduce the percentage in principal amount of outstanding Bonds of any series for which the consent of the holders is required to modify or amend the Mortgage or to waive compliance with certain provisions of the Indenture, or reduce certain quorum or voting requirements of the Mortgage; or
- to modify the foregoing requirements or reduce the percentage of outstanding Bonds necessary to modify other provisions of the Mortgage or waive any past default thereunder. (Section 1702)

Events of Default

Each of the following events is an Event of Default under the Mortgage:

- We fail to make payments of principal or premium within three business days, or interest within 60 days, after the due date,
- We fail to perform or breach any other covenant or warranty for a period of 90 days after notice,
- We file for bankruptcy or certain other events involving insolvency, receivership or bankruptcy occur, or

Issuance of Bonds

The maximum principal amount of Bonds which we may issue under the Mortgage is unlimited (Section 201). We may issue Bonds of any series from time to time on the basis of, and in an aggregate principal amount not exceeding the sum of:

- the aggregate principal amount of Class A Bonds issued and delivered to the Bond Trustee designated by us as the basis for such issuance,
- 70% of the amount of Unfunded Net Property Additions (generally defined as Property Additions (net of retirements) which have not been made or deemed to have been made the basis of authentication and delivery of Bonds or used for other purposes under the Mortgage),
- the aggregate principal amount of retired Bonds, and
- cash deposited with the Bond Trustee. (Sections 101, 104 and 302 and Articles Four, Five and Six)

Property Additions are generally defined to include any Property subject to the lien of the Mortgage (the "Mortgaged Property") which we may elect to designate as such, except (with certain exceptions) goodwill, going concern value rights, intangible property or any property the cost of acquisition construction of which is properly chargeable to an operating expense account. (Sections 101 and 104)

Based upon Property Additions certified to the Bond Trustee as of June 30, 2006 (the last date of certification of Property Additions under the Mortgage), we have Unfunded Net Property Additions of approximately \$2.3 billion, sufficient to permit the issuance of approximately \$1.61 billion of additional Bonds on the basis thereof. As of August 1, 2007, no retired Bonds were available to support the issuance of Bonds under the Mortgage.

With certain exceptions in the case of Bonds issued on the basis of Class A Bonds and retired Bonds as described above, we can issue Bonds only if our Adjusted Net Earnings for 12 consecutive months with the preceding 18 months is at least twice the Annual Interest Requirements on:

- all Bonds at the time outstanding,
- the Bonds then applied for, and
- all outstanding Class A Bonds, if any, other than Class A Bonds held by the Bond Trustee under the Mortgage. (Sections 103, 301, 302 and 501)

Release of Property

We may obtain the release of property from the lien of the Mortgage either upon the basis of an equal amount of Unfunded Net Property Additions or upon the basis of the deposit of cash or a credit for retired Bonds. We may also obtain the release of property upon the basis of the release of the property from the lien of a Class A Mortgage, if any. (Article Ten)

Withdrawal of Cash

We may withdraw cash deposited as the basis for the issuance of Bonds and cash representing certain payments in respect of Class A Bonds, if any, designated as the basis for the issuance of Bonds or the withdrawal of cash ("Designated Class A Bonds") upon the basis of (1) Unfunded Net Property Additions in an amount equal to ten-sevenths of such cash, (2) an equal amount of retired Bonds or (3) an equal amount of Class A Bonds which are not Designated Class A Bonds. (Sections 601 and 1202) In addition, we may withdraw cash upon the basis of (a) an equal amount of Unfunded Net Property Additions, (b) ten-sevenths of the amount of retired Bonds, or may apply such cash to (y) the purchase of Bonds at prices not exceeding ten-sevenths of the principal amount thereof or (z) the redemption or payment at the stated maturity of Bonds. (Sections 601 and 1005)

Lien of the Mortgage

The lien of the Mortgage is subject to the prior first mortgage lien of a Class A Mortgage, if any, liens on after-acquired property existing at the time of acquisition and various permitted liens, including:

- tax liens, mechanics', materialmen's and similar liens and certain employees' liens, in each case, which are not delinquent and which are being contested,
- certain judgment liens and easements, reservations and rights of others (including governmental entities) in, and defects of title to, the property subject to the lien of the Mortgage which do not materially impair its use by us,
- certain leases, and
- certain other liens (including but not limited to liens which are immaterial to our operations) and encumbrances. (Granting Clauses and Section 101)

The following, among other things, are excepted from the lien of the Mortgage:

- cash and securities not held under the Mortgage,
- contracts, leases and other agreements, bills, notes and other instruments, receivables, claims, certain intellectual property rights and other general intangibles,
- automotive and similar vehicles, movable equipment, and railroad, marine and flight equipment,
- all goods, stock in trade, wares and merchandise held for sale in the ordinary course of business,
- fuel (including nuclear fuel assemblies), materials, supplies and other personal property consumable in the operation of our business,
- portable equipment,
- furniture and furnishings,
- computers, machinery and equipment used exclusively for corporate administrative or clerical purposes,
- electric energy, gas, steam, water and other products generated, produced or purchased,
- substances mined, extracted or otherwise separated from the land and all rights thereto, leasehold interests, and
- with certain exceptions, all property which is located outside of the State of South Carolina or Columbia County, Georgia. (Granting Clauses)

The Mortgage contains provisions subjecting (with certain exceptions and limitations and subject to the prior lien of a Class A Mortgage, if any, and the provisions of the U.S. Bankruptcy Code) after-acquired electric utility property to the lien of the Mortgage. (Granting Clauses) Notwithstanding the foregoing, it may be necessary to comply with applicable recording requirements to perfect such lien on after-acquired electric utility property.

The Mortgage provides that the Bond Trustee has a lien upon the property subject to the lien of the Mortgage, for the payment of its compensation and expenses. This Bond Trustee's lien is prior to the lien on behalf of the holders of the Bonds. (Section 1607)

"Business Day" means any day, other than a Saturday or Sunday, which is not a day on which banks or trust companies in Atlanta, Georgia are generally authorized or required by law, regulation or executive order to remain closed.

You may transfer or exchange the New Bonds for other New Bonds of the same series, in authorized denominations (which are, unless otherwise stated in the prospectus supplement, denominations of \$1,000 and any integral multiple thereof), and of like tenor and aggregate principal amount, at our office or agency in Atlanta, Georgia (currently, the Bond Trustee). At our discretion, we may change the place of registration and transfer of the New Bonds, and we may appoint one or more additional security registrars (including us) and remove any security registrar. The prospectus supplement will identify any additional place for registration of transfer and any additional security registrar. You are not responsible for paying any service charge for any transfer or exchange of the New Bonds, but you may have to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration, transfer or exchange of the New Bonds. (Sections 202 and 205)

For additional information with respect to the rights of the owners of beneficial interests in New Bonds subject to a book-entry system of transfers and payments, see "Book-Entry System."

Redemption

The New Bonds are subject to redemption, as set forth in the relevant prospectus supplement, on or upon notice by mail (unless waived) not less than 30 days (or such other period set forth in the relevant prospectus supplement) prior to the redemption date. If less than all the New Bonds of a series are to be redeemed, the particular New Bonds to be redeemed will be selected by the method as shall be provided for any particular series, or in the absence of any such provision, by any method as the security registrar deems fair and appropriate. (Sections 109, 903 and 904)

We may, in any notice of redemption, make any redemption conditional upon receipt by the Bond Trustee, on or prior to the date fixed for redemption, of money sufficient to pay the redemption price. If the Bond Trustee has not received that money, we will not be required to redeem those New Bonds and we will then give notice to that effect. (Section 904)

Security

General

The New Bonds will be equally and ratably secured with all other Bonds issued under the Mortgage. The Bonds are secured by the lien of the Mortgage on substantially all of our properties used in the generation, purchase, transmission, distribution and sale of electricity and any other property which we may elect to subject to the lien of the Mortgage.

If we merge or are consolidated with another corporation and certain conditions set forth in the Mortgage are satisfied, the existing mortgage or deed of trust or similar indenture entered into by such corporation may be designated as a "Class A Mortgage" and bonds issued thereunder would be "Class A Bonds" for purpose of the Mortgage. In that event, the Bonds will be secured, additionally, by such Class A Bonds as may be issued under the Class A Mortgage and deposited with the Bond Trustee and by the lien of the Mortgage, which lien would be junior to the lien of Class A Mortgage with respect to the property subject to such Class A Mortgage. (Section 1206) Presently, we have no Class A Bonds outstanding.

information to describe the series of New Bonds related to that prospectus supplement, unless the information is the same as the information included in this section:

- the title of the series of New Bonds;
- the aggregate principal amount and any limit upon the aggregate principal amount of the series of New Bonds;
- the date or dates on which the principal of the series of New Bonds will be payable, and any right that we have to change the date on which principal is payable;
- the rate or rates at which the series of New Bonds will bear interest, if any (or the method of calculating the rate);
- the date or dates from which the interest will accrue;
- the dates on which the interest will be payable ("Interest Payment Dates");
- the record dates for the interest payable on the Interest Payment Dates;
- any option on our part to redeem the series of New Bonds and redemption terms and conditions;
- any obligation on our part to redeem or purchase the series of New Bonds in accordance with any sinking fund or analogous provisions or at the option of the holder and the relevant terms and conditions for that redemption or purchase;
- the denominations of the series of New Bonds;
- if the amount of the principal of or premium (if any) or interest on the series of New Bonds is determined with reference to an index or other facts or events ascertainable outside of the Mortgage, the manner in which such amount may be determined;
- any variation to the definition of "Business Day" as defined in the Mortgage;
- the portion of the principal payable upon acceleration of maturity, if other than the entire principal amount;
- whether the series of New Bonds is subject to a book-entry system of transfers and payments; and
- any other particular terms of the series of New Bonds and of its offering. (Section 201)

Payment of New Bonds; Transfers; Exchanges

We will pay any interest which is due on each New Bond to the person in whose name that New Bond is registered as of the close of business on the record date relating to the Interest Payment Date. (Section 207) However, we will pay interest which is payable when the New Bonds mature (whether the New Bonds mature on their stated date of maturity, the date the New Bonds are redeemed or otherwise) to the person to whom the relevant principal payment on the New Bonds is to be paid.

We will pay principal of, and any premium and interest on, the New Bonds at our office or agency in Atlanta, Georgia (currently, the Bond Trustee). The applicable prospectus supplement for any series of New Bonds will specify any other place of payment and any other paying agent. We may change the place at which the New Bonds will be payable, may appoint one or more additional paying agents (including us) and may remove any paying agent, all at our discretion. (Section 702)

Except as provided in a prospectus supplement, if principal of or premium (if any) or interest on the New Bonds is payable on a day which is not a Business Day, payment thereof may be postponed to the next succeeding Business Day, and no additional interest will accrue as a result of the delayed payment.

members related to the potentially interested purchaser or other person attempting to take over the business) has approved the action or transaction, in which case the required shareholder approval will be the minimum approval required by applicable law. The corporate actions or fundamental transactions that are subject to these provisions of SCANA's restated articles of incorporation are those corporate actions or transactions that require approval by shareholders under applicable law or its restated articles of incorporation, including certain amendments of its restated articles of incorporation or bylaws, certain transactions involving its merger, consolidation, liquidation, dissolution or winding up, certain sales or other dispositions of our assets or the assets of any of our subsidiaries, certain issuances (or reclassifications) of our securities or the securities of any of its subsidiaries or certain recapitalizations or transactions that have the effect of increasing the voting power of the potentially interested purchaser or other person attempting to take over its business.

Prevention of Greenmail

SCANA's restated articles of incorporation provide that it cannot purchase any of its outstanding common stock at a price it knows to be more than the market price from a person who is known to it to be the beneficial owner of more than three percent of its outstanding common stock and who has purchased or agreed to purchase any shares of its common stock within the most recent two-year period, without the approval of the holders of a majority of the outstanding shares of its common stock other than such person, unless SCANA offers to purchase any and all of the outstanding shares of common stock.

DESCRIPTION OF THE FIRST MORTGAGE BONDS

General

SCE&G will issue the New Bonds in one or more series under an Indenture, dated as of April 1, 1994, between SCE&G and The Bank of New York Trust Company, N. A. (successor to NationsBank of Georgia National Association), as trustee (the "Bond Trustee"), as supplemented (the "Mortgage"). The New Bonds and all other debt securities issued and outstanding under the Mortgage are referred to in this prospectus as the "Bonds." A copy of the Mortgage has been incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. The information under this heading "Description of the First Mortgage Bonds" briefly outlines some of the provisions of the Mortgage. Please review the Mortgage that we filed with the SEC for a full statement of those provisions. See "Where You Can Find More Information" on how to obtain a copy of the Mortgage. You may also review the Mortgage at the Bond Trustee's offices at 100 Ashford Center North, Suite 520, Atlanta, Georgia 30338.

Capitalized terms used and defined under this heading "Description of the First Mortgage Bonds" have the meanings given such terms as defined herein. Capitalized terms used under this heading "Description of the First Mortgage Bonds" which are not otherwise defined in this prospectus have the meanings given those terms in the Mortgage. The summaries under this heading "Description of the First Mortgage Bonds" are not detailed. Whenever particular provisions of the Mortgage or terms defined in the Mortgage are referred to, those statements are qualified by reference to the Mortgage. References to article and section numbers under this heading "Description of the First Mortgage Bonds," unless otherwise indicated, are references to article and section numbers of the Mortgage.

Provisions of a Particular Series

The New Bonds of a series need not be issued at the same time, bear interest at the same rate and mature on the same date. Unless otherwise provided in the terms of a series, a series may be reopened without notice to or consent of any holder of outstanding Bonds, for issuances of additional New Bonds of that series. Each prospectus supplement which accompanies this prospectus will set forth the following

provisions of the restated articles of incorporation or bylaws of SCANA are referred to, those statements are qualified by reference to those restated articles of incorporation or bylaws.

Authorized Capital Stock: Under the South Carolina Business Corporation Act, a corporation may not issue a greater number of shares than have been authorized by its articles of incorporation. The authorized capital stock of SCANA consists of 150,000,000 shares of SCANA common stock, no par value, and no shares of preferred stock. At the close of business on June 30, 2007, approximately 116,700,000 shares of our common stock were issued and outstanding, and not more than 7.5 million shares of our common stock were reserved for issuance pursuant to our benefit plans and the Investor Plus Plan.

Voting: Holders of the Common Stock are entitled to one vote, in person or by proxy, for each share held on the applicable record date with respect to each matter submitted to a vote at a meeting of stockholders, and may not cumulate their votes.

Dividends: Holders of the Common Stock are entitled to receive dividends as and when declared by our board of directors out of funds legally available therefor.

Liquidation Rights: In the event we liquidate, dissolve or wind up our affairs, the holders of the Common Stock would be entitled to share ratably in all of our assets available for distribution to shareholders of our common stock remaining after payment in full of liabilities.

Preemptive Rights: Holders of the Common Stock do not have preemptive rights to subscribe for additional shares when we offer for sale additional shares of our common stock.

Provisions Relating to Change in Control

Our restated articles of incorporation and bylaws contain provisions which could have the effect of delaying, deferring or preventing a change in control of SCANA. These provisions are summarized below.

Corporate Governance Provisions

SCANA's restated articles of incorporation provide that its board of directors is subdivided into three classes, with each class as nearly equal in number of directors as possible. Each class of directors serves for three years and one class is elected each year. SCANA currently has ten directors (in classes with terms expiring in 2008, 2009 and 2010). SCANA's restated articles of incorporation and bylaws provide that:

- the authorized number of directors may range from a minimum of nine to a maximum of 20, as determined from time to time by the directors;
- directors can be removed only (x) for cause or (y) otherwise by the affirmative vote of the holders of 80 percent of the shares of SCANA's stock who are entitled to vote; and
- vacancies and newly created directorships on SCANA's board of directors can be filled by a majority vote of the remaining directors then in office, even though less than a quorum, and any new director elected to fill a vacancy will serve until the next shareholders' meeting at which directors of any class are elected.

Anti-Takeover Provisions

Certain provisions of our restated articles of incorporation and bylaws may have the effect of discouraging unilateral tender offers or other attempts to take over and acquire our business. These provisions might discourage some potentially interested purchaser from attempting a unilateral takeover bid for us on terms which some shareholders might favor.

SCANA's restated articles of incorporation require that certain corporate actions and fundamental transactions must be approved by the holders of 80 percent of the outstanding shares of its capital stock entitled to vote on the matter unless a majority of the members of its board of directors (other than

Glossary

Set forth below are definitions of some of the terms used in this prospectus with respect to the Note

“H.15(519)” means the weekly statistical release designated as “Statistical Release H.15(519) Selected Interest Rates” or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15(519), available through the Internet website of the Board of Governors of the Federal Reserve System at <http://www.bog.frb.fed.us/releases/h15/update>, or any successor site or publication.

“Index Maturity” means, with respect to a Floating Rate Note, the period to maturity of the Note on which the interest rate formula is based, as indicated in the applicable pricing supplement.

“Interest Determination Date” means the date as of which the interest rate for a Floating Rate Note is to be calculated, to be effective as of the following Interest Reset Date and calculated on the related Calculation Date (except in the case of LIBOR which is calculated on the related LIBOR Interest Determination Date). The Interest Determination Dates will be indicated in the applicable pricing supplement and in the Note.

“Interest Reset Date” means the date on which a Floating Rate Note will begin to bear interest at the rate determined on any Interest Determination Date. The Interest Reset Dates will be indicated in the applicable pricing supplement and in the Note.

“Money Market Yield” is the yield (expressed as a percentage rounded upwards, if necessary, to the next higher one-hundred-thousandth of a percentage point) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where “D” refers to the per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and “M” refers to the actual number of days in the period for which interest is being calculated.

“Principal Financial Center” means the capital city of the country that issues as its legal tender the Designated LIBOR Currency of such LIBOR Note, except that with respect to U.S. dollars, the Principal Financial Center shall be New York, New York.

“Reuters” means the Reuters Monitor Money Rates Service.

“Spread” means the number of basis points specified in the applicable pricing supplement as being applicable to the interest rate for a Floating Rate Note.

“Spread Multiplier” means the percentage specified in the applicable pricing supplement as being applicable to the interest rate for a Floating Rate Note.

DESCRIPTION OF THE COMMON STOCK

General

The rights of holders of the Common Stock are currently governed by the South Carolina Business Corporation Act, and the restated articles of incorporation and bylaws of SCANA, copies of which restated articles of incorporation and bylaws have been incorporated by reference as exhibits to the registration statement of which this prospectus is a part. The following summary describes the material rights of SCANA's shareholders. The summaries under this heading are not detailed. Whenever particular

- to reduce the principal amount of any debt security which is an Original Issue Discount Security (as defined in the Note Indenture) that would be due upon a declaration of acceleration of that security's maturity;
- to change the place or currency of any payment of principal of or any premium or interest on any debt security;
- to impair the right to institute suit for the enforcement of any payment on or with respect to any debt security after the stated maturity or redemption date of that debt security;
- to reduce the percentage in principal amount of outstanding debt securities of any series for which the consent of the holders is required to modify or amend the Note Indenture or to waive compliance with certain provisions of the Note Indenture, or reduce certain quorum or voting requirements of the Note Indenture; or
- to modify the foregoing requirements or reduce the percentage of outstanding debt securities necessary to modify other provisions of the Note Indenture or waive any past default thereunder. (Section 902)

Except with respect to certain fundamental provisions, the holders of a majority in principal amount of outstanding debt securities of any series may waive past defaults with respect to that series and may waive our compliance with certain provisions of the Note Indenture with respect to that series. (Sections 513 and 1010)

We, the Note Trustee or the holders of at least 10% in principal amount of the outstanding debt securities of the applicable series, may at any time call a meeting of the holders of debt securities of a particular series, and notice of that meeting will be given in accordance with "Notices" below. (Section 1402) Any resolution passed or decision taken at any meeting of holders of debt securities of a particular series duly held in accordance with the Note Indenture will be binding on all holders of debt securities of that series. The quorum at any meeting called for the holders of debt securities of a particular series to adopt a resolution, and at any reconvened meeting, will be a majority in principal amount of the outstanding debt securities of that series. (Section 1404)

Notices

Notices to holders of the Notes will be given by mail to the addresses of such holders as they appear in the security register. (Section 106)

Defeasance

If we deposit with the Note Trustee, money or Federal Securities (as defined in the Note Indenture) sufficient to pay, when due, the principal, premium (if any) and interest due on the Notes, then we will be discharged from any and all obligations with respect to the Notes, except for certain continuing obligations to register the transfer or exchange of those debt securities, to maintain paying agencies and to hold moneys for payment in trust. (Section 401)

Our Relationship with the Note Trustee

The Note Trustee and/or one or more of its affiliates, may be lenders under our, or our subsidiaries', credit agreements and may provide other commercial banking, investment banking and other services to us and/or our subsidiaries. The Note Trustee will be permitted to engage in other transactions with us and/or our subsidiaries; however, if the Note Trustee acquires any conflicting interest, as defined in the Trust Indenture Act or provided under the Note Indenture, it must eliminate the conflict or resign.

(9) Mortgages on any property (including any natural gas, oil or other mineral property) to secure all or part of the cost of exploration, drilling or development thereof or to secure Debt incurred to provide funds for any such purpose;

(10) Mortgages existing on the date of the Note Indenture;

(11) "Excepted Encumbrances" and "Permitted Encumbrances" as such terms are defined in any of the Existing Mortgages;

(12) certain Mortgages typically incurred in the ordinary course of business or arising from any litigation or any legal proceeding which is currently being contested in good faith; and

(13) any extension, renewal or replacement of any Mortgage referred to in the foregoing clauses (2) through (12), which does not increase the amount of debt secured thereby at the time of the renewal, extension or modification.

Notwithstanding the foregoing, the Note Indenture provides that we and any or all of our subsidiaries may, without securing the debt securities, issue, assume or guarantee Debt secured by Mortgages in an aggregate principal amount which (not including Debt permitted to be secured under clauses (1) to (13) inclusive above) does not at any one time exceed 10% of the Consolidated Net Tangible Assets (as hereinafter defined) of us and our subsidiaries. (Section 1009)

"Consolidated Net Tangible Assets" is defined as the total amount of assets appearing on the consolidated balance sheet of us and our subsidiaries subtracting, without duplication, the following:

- reserves for depreciation and other asset valuation reserves but excluding reserves for deferred federal income taxes;
- intangible assets such as goodwill, trademarks, trade names, patents and unamortized debt discount and expense; and
- appropriate adjustments on account of minority interests of other persons holding voting stock in any of our subsidiaries. (Section 101)

Modification, Waiver and Meetings

We may, without the consent of any holders of outstanding debt securities, enter into supplemental indentures for, including but not limited to, the following purposes:

- to add to our covenants for the benefit of the holders or to surrender a right or power conferred upon us in the Note Indenture,
- to secure the debt securities,
- to establish the form or terms of any series of debt securities, or
- to make certain other modifications, generally of a ministerial or immaterial nature. (Section 901)

We may amend the Note Indenture for other purposes only with the consent of the holders of a majority in principal amount of each affected series of outstanding debt securities. However, we may not amend the Note Indenture without the consent of the holder of each affected outstanding debt security for the following purposes:

- to change the stated maturity or redemption date of the principal of, or any installment of interest on, any debt security or to reduce the principal amount, the interest rate of, any other amount payable in respect of or any premium payable on the redemption of any debt security;

The Note Indenture provides that we may, without the consent of the holders of the debt securities, consolidate with, or sell, lease or convey all or substantially all of our assets to, or merge into another corporation, provided that (1) we are the continuing corporation, or, if not, the successor corporation assumes by a supplemental indenture our obligations under the Note Indenture and (2) immediately after giving effect to such transaction there will be no default in the performance of any such obligations. (Section 801)

The Note Indenture provides that neither we nor our subsidiaries may issue, assume or guarantee any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed ("Debt") secured by a mortgage, lien, pledge or other encumbrance ("Mortgages") upon any property of us or our subsidiaries without effectively providing that the debt securities of each series issued under the Note Indenture (together with, if we so determine, any other indebtedness or obligation then existing or thereafter created ranking equally with those debt securities) are secured equally and ratably with (or prior to) such Debt so long as such Debt is so secured, except that this restriction will not apply to:

(1) Mortgages to secure Debt issued under

- the Indenture, dated April 1, 1993, between SCE&G and The Bank of New York Trust Company, N. A. (successor to NationsBank of Georgia, National Association),
- the Indenture, dated January 1, 1945, between SCE&G and JPMorgan Chase Bank, N.A.,
- the Mortgage and Security Agreement, dated August 21, 1992, between GENCO and The Prudential Insurance Company of America, as amended and restated by the Amended and Restated Mortgage and Security Agreement dated February 11, 2004, between GENCO and The Bank of New York Trust Company, N.A., as Collateral Agent, and
- the Indenture of Mortgage, dated December 1, 1977, between CGTC and Citibank, N.A.,

each as amended and supplemented to date and as it may be hereafter amended and supplemented from time to time ("Existing Mortgages"), or any extension, renewal or replacement of any of them;

(2) Mortgages affecting property of a corporation existing at the time it becomes our subsidiary or at the time it is merged into or consolidated with us or one of our subsidiaries;

(3) Mortgages on property existing at the time of acquisition thereof or incurred to secure payment of all or part of the purchase price thereof or to secure Debt incurred prior to, at the time of, or within 12 months after the acquisition for the purpose of financing all or part of the purchase price thereof;

(4) Mortgages on any property to secure all or part of the cost of construction or improvements thereon or Debt incurred to provide funds for such purpose in a principal amount not exceeding the cost of such construction or improvements;

(5) Mortgages which secure only an indebtedness owing by one of our subsidiaries to us or to another of our subsidiaries;

(6) certain Mortgages to government entities, including mortgages to secure debt incurred in pollution control or industrial revenue bond financings;

(7) Mortgages required by any contract or statute in order to permit us or one of our subsidiaries to perform any contract or subcontract made with or at the request of the United States of America, any state or any department, agency or instrumentality or political subdivision of either;

(8) Mortgages to secure loans to us or to our subsidiaries maturing within 12 months from the creation thereof and made in the ordinary course of business;

- (5) We fail to perform certain covenants or agreements contained in the Note Indenture;
- (6) Either we or our principal subsidiaries (notably SCE&G and GENCO) fail to make payment on certain indebtedness or otherwise fail to perform under such indebtedness.

Certain of these events become defaults only after the lapse of prescribed periods of time and/or notice from the Note Trustee. (Section 501)

Upon the occurrence of a default under the Note Indenture, either the Note Trustee or the holder of at least 25% in principal amount of outstanding debt securities of the affected series may declare the principal of all outstanding debt securities of that series immediately due and payable. However, if the default is cured, the holders of a majority in principal amount of outstanding debt securities of the affected series may rescind that declaration and annul the declaration and its consequences. (Section 502)

The holders of a majority in principal amount of outstanding debt securities of the affected series may direct the time, method and place of conducting any proceeding for the enforcement of the Note Indenture. (Section 512)

No holder of any debt security of any series has the right to institute any proceeding with respect to the Note Indenture unless:

- the holder previously gave written notice of a continuing event of default relating to the debt securities of that series to the Note Trustee,
- the holders of more than 25% in principal amount of outstanding debt securities of the affected series tender to the Note Trustee reasonable indemnity against costs and liabilities and request the Note Trustee to take action, and the Note Trustee declines to take action for 60 days after receipt of such request, and
- the holders of a majority in principal amount of outstanding debt securities of the affected series give no inconsistent direction during such 60-day period;

provided, however, that each holder of a Note shall have the right to enforce payment of that Note when due. (Sections 507 and 508)

The Note Trustee must notify the holders of the debt securities of any series within 90 days after a default has occurred with respect to those debt securities, unless that default has been cured or waived, provided, however, except in the case of default in the payment of principal of, premium (if any), or interest or other amount payable on any debt security, the Note Trustee may withhold the notice if it determines that it is in the interest of those holders to do so. (Section 602)

We are required under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), to furnish to the Note Trustee at least once every year a certificate as to our compliance with the conditions and covenants under the Note Indenture. (Section 1005)

Covenants, Consolidation, Merger, Etc.

The Note Indenture provides that we will keep the property that we use in our business, or in the business of our subsidiaries, in good working order, and will improve it as necessary to properly conduct our business and that of our subsidiaries, as the case may be. (Section 1007) Except as described in the next paragraph, the Note Indenture provides that we will also maintain our corporate existence, rights and franchises and those of SCE&G and GENCO (collectively, our "Principal Subsidiaries"). (Section 1006) However, we are not required to preserve (a) the corporate existence of any of our subsidiaries other than our Principal Subsidiaries or (b) any such right or franchise if we determine that its preservation is not desirable in the conduct of our business or the business of our subsidiaries, consolidated as a whole, or its loss is not disadvantageous in any material respect to the holders of the outstanding debt securities of any series. (Section 1006)

To instruct us to purchase your Note, you must deliver to the paying agent (currently, the Note Trustee), between 30 and 45 days before the date on which the Note may be sold by you, the following items:

- the Note;
- the completed form entitled "Option to Elect Repayment" which will be printed on the reverse side of the Note; and
- a fax or letter from (1) a member of a national securities exchange, (2) a member of the National Association of Securities Dealers, Inc. or (3) a U.S. commercial bank or trust company containing the following information:
 - (a) your name;
 - (b) the principal amount of the Note you wish to sell;
 - (c) the certificate number or a description of the tenor and terms of that Note;
 - (d) a statement that you are exercising your option to elect repayment of the Note you hold; and
 - (e) a guarantee that the Note and the completed form will be received by the paying agent within five Business Days after the date the fax or letter is received by the paying agent.

Once you tender the Note to be redeemed to the paying agent, you may not revoke your earlier election. You may instruct us to purchase part of the Notes you hold, provided that the Notes you continue to hold after that redemption are outstanding in an authorized denomination of \$1,000 and an integral multiple of \$1,000.

If a series of Notes is held in book-entry form by DTC or its nominee, as more particularly described under the heading "Book-Entry System," only it (as the actual holder of the Notes) may instruct us to purchase those Notes. However, you, as the beneficial owner of the Notes, may direct the broker or other direct or indirect participant through which you hold an interest in the Notes to notify DTC of your desire to have your Notes purchased (which will in turn notify us according to the above-mentioned procedures). Because different firms and brokers have different cut-off times for accepting instructions from their customers, you should consult your broker or other direct or indirect participant through which you hold an interest in the Notes to determine by when you must act, so that timely notice is delivered to DTC.

At any time, we may purchase the Notes or beneficial ownership interests in the Notes (if they are held in book-entry form) at any price in the open market or otherwise. In our sole discretion, we may hold, resell or retire any Notes or beneficial ownership interests in those Notes that we purchase.

Defaults

The following are defaults under the Note Indenture with respect to debt securities issued under the Note Indenture:

- (1) We fail to make payment of principal and premium (if any) on the debt securities when due and payable at maturity,
- (2) We fail to make payment of any interest or any other amount when due and payable on the debt securities, and such default continues for a period of 30 days;
- (3) We fail to deposit any sinking fund payment when due and payable on the debt securities, and such default continues for a period of three Business Days;
- (4) We file for bankruptcy or certain other events involving insolvency, receivership or bankruptcy occur;

The following procedures will occur if the rate cannot be set as described above:

- If that rate is not published by 3:00 P.M., New York City time, on the applicable Calculation Date, the rate will be the auction average rate (expressed as a bond equivalent, on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) for such auction as otherwise announced by the United States Department of the Treasury.
- If the results of the auction of Treasury Bills having the applicable Index Maturity are not published or announced as described above by 3:00 P.M. on such Calculation Date, or if no such auction is held in a particular week, then the Treasury Rate shall be calculated by the Calculation Agent as follows:

(1) The rate shall be calculated as a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the average of the secondary market bid rates, as of approximately 3:30 P.M. on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Bills with a remaining maturity closest to the specified Index Maturity; and

(2) If the dealers selected by the Calculation Agent are not quoting as mentioned in (1) above, the rate of interest in effect for the applicable period will be the rate of interest in effect for the prior interest reset period.

Redemptions

Redemption Elected by Us

As specified in the applicable pricing supplement, we may either (1) redeem the Notes or (2) not redeem the Notes, prior to their stated maturity. If we can redeem the Notes, then the following terms will apply as specified in the applicable pricing supplement:

- we may redeem all or some of the Notes at one time;
- we may redeem Notes on any date or after the date specified as the "Initial Redemption Date" in the applicable pricing supplement; and
- we may redeem Notes at the price specified in the applicable pricing supplement, together with accrued interest to the redemption date. (Section 1101)

If we redeem some or all of the Notes, the Note Trustee must notify you between 30 and 60 (or such shorter period specified in the applicable pricing supplement) days before the redemption date (by first-class mail, postage prepaid) that some or all of the Notes will be redeemed. (Sections 106 and 1104) Further, if only a part of a Note is redeemed, then the holder of the unredeemed part of that Note will receive one or more new Notes. (Section 1107) The Notes will not be subject to any sinking fund. (Section 1201)

Redemption Elected by You

You may be able to instruct us to purchase the Note that you hold before that Note reaches its stated maturity date in accordance with the terms of the Note. (Section 1301) To the extent that you have the right to ask us to purchase any Note, the applicable pricing supplement will specify the terms of that right, including (1) the date or dates on which that Note may be sold by you and (2) the price (plus accrued interest) that we must pay you for that Note.

LIBOR Rate Notes. Each LIBOR Rate Note will bear interest at the rate (calculated with reference to LIBOR and the Spread and/or Spread Multiplier, if any) specified on the LIBOR Rate Note and in the applicable pricing supplement, determined by the Calculation Agent as follows:

The Calculation Agent will determine LIBOR as follows:

- With respect to any LIBOR Interest Determination Date, LIBOR will be the rate for deposits in the Designated LIBOR Currency having the Index Maturity specified in the applicable pricing supplement, beginning on the second Business Day immediately after that date, that appears on Reuters on page LIBOR01 (or any other page as may replace such page on such service for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency ("Reuters Page LIBOR01")) as of 11:00 A.M., London time, on that date.
- If no such rate appears on Reuters Page LIBOR01, LIBOR for that date will be determined as follows:

(a) LIBOR will be determined based on the rates at approximately 11:00 A.M., London time, on that LIBOR Interest Determination Date at which deposits in the Designated LIBOR Currency having the applicable Index Maturity are offered by four major banks in the London interbank market to prime banks in the London interbank market selected by the Calculation Agent in a principal amount that is representative for a single transaction in that market at that time (a "Representative Amount"). The offered rates must begin on the second Business Day immediately after that LIBOR Interest Determination Date.

(b) The Calculation Agent will request the principal London office of each of the four banks mentioned in (a) above to provide a quotation of its rate. If at least two such quotations are provided, LIBOR will equal the average of such quotations.

(c) If fewer than two quotations are provided, LIBOR will equal the average of the rates quoted as of 11:00 A.M. in the applicable Principal Financial Center, on that date by three major banks in the applicable Principal Financial Center selected by the Calculation Agent. The rates will be for loans in the Designated LIBOR Currency to leading European banks having the Index Maturity specified in the pricing supplement beginning on the second Business Day after that date and in a Representative Amount.

(d) If the banks selected by the Calculation Agent are not quoting as mentioned in (c) above, the rate of interest in effect for the applicable period will be the same as the rate of interest in effect for the prior Interest Reset Period.

"Designated LIBOR Currency" means, with respect to any LIBOR Note, the currency (including composite currency units), if any, designated in the applicable pricing supplement as the currency for which LIBOR will be calculated. If no such currency is designated in the Floating Rate Notes and the applicable pricing supplement, the Designated LIBOR Currency shall be U.S. dollars.

Treasury Rate Notes. Each Treasury Rate Note will bear interest at the rate (calculated with reference to the Treasury Rate and the Spread and/or Spread Multiplier, if any) specified on the Treasury Rate Note and in the applicable pricing supplement.

"Treasury Rate" means, with respect to any Treasury Rate Interest Determination Date, the rate applicable to the most recent auction of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified in the applicable pricing supplement on the display on Reuters on page USAUCTION 10 or USAUCTION 11 (or any other page as may replace page USAUCTION 10 or USAUCTION 11) under the heading "INVEST RATE."

Floating Rate Notes which reset daily or weekly, the interest payable will be the amount of interest accrued (a) from and including the date the applicable Floating Rate Notes were issued, or (b) from but excluding the last date for which interest has been paid, to and including the day immediately preceding the applicable Interest Payment Date, other than the maturity date (for which interest is payable to but excluding the maturity date for those Floating Rate Notes).

The accrued interest for any period is calculated by multiplying the principal amount of a Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal) is computed by dividing the interest rate applicable to that date by 360, except for Treasury Rate Notes, for which it will be divided by the actual number of days in the year.

Calculation of Interest on Floating Rate Notes. We will calculate or will appoint and enter into an agreement with a Calculation Agent (as defined herein) to calculate the interest rates on Floating Rate Notes.

"Calculation Date" means, unless otherwise specified in a pricing supplement, the tenth calendar day after an Interest Determination Date or, if the tenth day is not a Business Day, the next Business Day. Unless otherwise provided in the applicable pricing supplement, The Bank of New York Trust Company, N. A., is the "Calculation Agent" for the Floating Rate Notes, and, upon request of any holder of a Floating Rate Note, will provide (1) the interest rate then in effect and (2) if available, the interest rate to be effective on the next Interest Reset Date for that Floating Rate Note.

Commercial Paper Rate Notes. Each Commercial Paper Rate Note will bear interest at the rate (calculated with reference to the Commercial Paper Rate and the Spread and/or Spread Multiplier, if any) specified in that Commercial Paper Rate Note and in the applicable pricing supplement.

"Commercial Paper Rate" means, with respect to any Commercial Paper Rate Interest Determination Date, the Money Market Yield (calculated as described below) on such date of the rate for commercial paper having the Index Maturity specified in the applicable pricing supplement as published in H.15(519) under the heading "Commercial Paper-Nonfinancial."

The following procedures will occur if the rate cannot be set as described above:

- If the applicable rate is not published in H.15(519) by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate will be the Money Market Yield, on that Commercial Paper Rate Interest Determination Date, of the rate for commercial paper having the Index Maturity specified in the applicable pricing supplement as published in H.15 Daily Update under the heading "Commercial Paper—Non-Financial," or any successor heading.
- If the applicable rate is not published in either H.15(519) or H.15 Daily Update by 3:00 P.M., New York City time, on such Calculation Date, then the Commercial Paper Rate will be calculated by the Calculation Agent and will be the Money Market Yield of the average of the offered rates, as of approximately 11:00 A.M., New York City time, on that Commercial Paper Rate Interest Determination Date, of three leading dealers of commercial paper in New York, New York selected by the Calculation Agent for commercial paper of the applicable Index Maturity placed for a non-financial issuer whose bond rating is "AA," or the equivalent, from a nationally recognized statistical rating agency.
- If fewer than three dealers selected by the Calculation Agent are quoting rates as set forth above, the Commercial Paper Rate in effect for the applicable period will be the Commercial Paper Rate determined as of the immediately preceding Commercial Paper Rate Interest Determination Date.

- for Floating Rate Notes (other than Treasury Rate Notes) that reset weekly, Wednesday of each week;
- for Treasury Rate Notes that reset weekly, Tuesday of each week;
- for Floating Rate Notes that reset monthly, the third Wednesday of each month;
- for Floating Rate Notes that reset quarterly, the third Wednesday of March, June, September and December;
- for Floating Rate Notes that reset semi-annually, the third Wednesday of the two months specified in the applicable pricing supplement;
- for Floating Rate Notes that reset annually, the third Wednesday of the month specified in the applicable pricing supplement; and
- for Floating Rate Notes which reset for other periods, the day of the week and month or months specified in the applicable pricing supplement.

The initial interest rate or interest rate formula on each Floating Rate Note effective until the first Interest Reset Date will be shown in a pricing supplement. Thereafter, the interest rate will be the rate determined on the next Interest Determination Date, as explained below. Each time a new interest rate is determined, it will become effective on the subsequent Interest Reset Date. If any Interest Reset Date is not a Business Day, then the Interest Reset Date will be postponed to the next Business Day. However, in the case of a LIBOR Rate Note, if the next Business Day is in the next calendar month, the Interest Reset Date will be the immediately preceding Business Day. Further, if an applicable auction of Treasury Bills (as defined herein) falls on a day that would otherwise be an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date will be the next Business Day.

When Interest Rate is Determined. The Interest Determination Date for the Commercial Paper Rate (the "Commercial Paper Interest Determination Date") and for LIBOR (the "LIBOR Interest Determination Date") will be the second Business Day preceding each Interest Reset Date. The Interest Determination Date for the Treasury Rate (the "Treasury Rate Interest Determination Date") will be the day on which Treasury Bills would normally be auctioned. Treasury Bills are usually sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is usually held on Tuesday. However, the auction may be held on the preceding Friday. If an auction is held on the preceding Friday, that day will be the Treasury Rate Interest Determination Date pertaining to the Interest Reset Date occurring in the next week.

When Interest is Paid. Interest on Floating Rate Notes will be payable monthly, quarterly, semi-annually or annually, as provided in the applicable pricing supplement. Except as provided below or in the pricing supplement, interest is paid as follows:

- for Floating Rate Notes on which interest is payable monthly, the third Wednesday of each month;
- for Floating Rate Notes on which interest is payable quarterly, the third Wednesday of March, June, September and December;
- for Floating Rate Notes on which interest is payable semi-annually, the third Wednesday of the two months specified in the applicable pricing supplement; and
- for Floating Rate Notes on which interest is payable annually, the third Wednesday of the month specified in the applicable pricing supplement.

The interest payable for Floating Rate Notes (other than those Floating Rate Notes which reset daily or weekly) will be the amount of interest accrued (1) from and including the date the applicable Floating Rate Notes were issued or (2) from but excluding the last date for which interest has been paid, to but excluding the Interest Payment Date or maturity date, as applicable, for those Floating Rate Notes. For

For additional information with respect to the rights of the owners of beneficial interests in Notes subject to a book-entry system of transfers and payments, see "Book-Entry System."

Interest Rates Payable on Notes

We have provided a glossary at the end of this heading to define the capitalized words used in discussing the interest rates payable on the Notes. Whenever we refer to time in this section, we mean the time as in effect in New York, New York, unless otherwise specified.

The interest rate on the Notes will either be fixed or floating.

Fixed Rate Notes

If we issue Notes that bear interest at a fixed rate (the "Fixed Rate Notes"), the applicable pricing supplement will designate the fixed rate of interest payable on the Notes. Unless otherwise set forth in the applicable pricing supplement:

- Interest on Fixed Rate Notes will be payable semi-annually each April 1 and October 1 and at maturity or upon earlier redemption or repayment.
- Record dates for Fixed Rate Notes will be March 15 (for interest to be paid on April 1) and September 15 (for interest to be paid on October 1). Interest payments will be the amount of interest accrued to, but excluding, each April 1 and October 1.
- Interest will be computed using a 360-day year of twelve 30-day months.

Floating Rate Notes

General. Each Note that bears interest at a floating rate (the "Floating Rate Notes") will have an interest rate formula which may be based on one of the following base rates, as determined by the applicable pricing supplement:

- the commercial paper rate (the "Commercial Paper Rate Note");
- LIBOR (the "LIBOR Rate Note");
- the treasury rate (the "Treasury Rate Note"); or
- any other base rate specified in the applicable pricing supplement.

The applicable pricing supplement will also indicate the Spread and/or Spread Multiplier, if any. The interest rates applicable to the Floating Rate Notes will be equal to one of the base rates, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any. Any Floating Rate Note may have either or both of the following:

- a maximum numerical interest rate limitation, or ceiling, on the rate of interest that accrues during any interest period; and
- a minimum numerical interest rate limitation, or floor, on the rate of interest that accrues during any interest period.

In addition, the interest rate on a Floating Rate Note will never be higher than the maximum rate permitted by applicable law, including United States law of general application.

Date of Interest Rate Change. The interest rate on each Floating Rate Note may be reset daily, weekly, monthly, quarterly, semi-annually, annually or for any other period specified in the applicable pricing supplement. The Interest Reset Date will be:

- for Floating Rate Notes which reset daily, each Business Day;

Payment of Notes; Transfers; Exchanges

Unless otherwise provided in a pricing supplement, we will pay any interest due on each Note to the person in whose name that Note is registered as of the close of business on the record date relating to each Interest Payment Date. However, we will pay interest when the Notes mature (whether the Notes mature on their stated date of maturity, the date the Notes are redeemed or otherwise) to the person to whom the principal payment on the Notes is paid. If there is a default in the payment of interest on the Notes, we may either (1) choose a special record date and pay the holders of the Notes at the close of business on that date, or (2) pay the holders of the Notes in any other lawful manner, all as more fully described in the Note Indenture. (Section 307)

We will pay principal of, and any premium and interest due on, the Notes at maturity or upon earlier redemption or repayment of a Note upon surrender of that Note at the office of the paying agent (currently, the Note Trustee in New York, New York). (Sections 307, 308 and 1105) The applicable pricing supplement identifies any other place of payment and any other paying agent. We may change the place at which the Notes will be payable, may appoint one or more additional paying agents and may remove any paying agent, all at our discretion. (Section 1002) Further, if we provide money to a paying agent to be used to make payments of principal of, premium (if any) or interest on any Note and that money has not rightfully been claimed two years after the applicable principal, premium or interest payment is due, then we may instruct the paying agent to remit that money to us, and any holder of a Note seeking those payments may thereafter look only to us for that money. (Section 1003)

Except as provided in the following sentence or in a pricing supplement, if principal of or premium (if any) or interest on the Notes is payable on a day which is not a Business Day, payment thereof will be postponed to the next Business Day, and no additional interest will accrue as a result of the delayed payment. However, for LIBOR Rate Notes, if the next Business Day is in the next calendar month, interest will be paid on the preceding Business Day and interest shall accrue through the date immediately preceding the date of payment for regularly scheduled interest payment dates (other than the maturity date). (Section 114)

"Business Day" means any day other than a Saturday or Sunday that (1) is not a day on which banking institutions in Washington, D.C., or in New York, New York, are authorized or obligated by law or executive order to be closed, and (2) with respect to LIBOR Rate Notes only, is a day on which dealings in deposits in U. S. dollars are transacted in the London interbank market.

The "record date" will be 15 calendar days prior to each Interest Payment Date, whether or not that day is a Business Day, unless otherwise indicated in this prospectus or in the applicable pricing supplement.

All percentages resulting from any calculation of Notes will be rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or 0.09876545) being rounded to 9.87655% (or 0.0987655) and 9.876544% (or 0.09876544) being rounded to 9.87654% (or 0.0987654)), and all dollar amounts used in or resulting from such calculation will be rounded to the nearest cent (with one-half cent being rounded upwards).

You may transfer or exchange the Notes for other Notes of the same series, in authorized denominations (which are, unless otherwise stated in the pricing supplement, denominations of \$1,000 and any integral multiple thereof), and of like aggregate principal amount, at our office or agency in New York, New York (currently, the Note Trustee). At our discretion, we may change the place for registration and transfer of the Notes, and we may appoint one or more additional security registrars and remove any security registrar. The pricing supplement will identify any additional place for registration of transfer and any additional security registrar. You are not responsible for paying a service charge for any transfer or exchange of the Notes, but you may have to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of the Notes. (Sections 305 and 1004).

DESCRIPTION OF THE MEDIUM TERM NOTES

General

SCANA will issue the Notes under an Indenture dated as of November 1, 1989 (the "Note Indenture") between SCANA and The Bank of New York Trust Company, N. A. (successor to The Bank of New York), as trustee (the "Note Trustee"). A copy of the Note Indenture has been incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. The information in this heading "Description of the Medium Term Notes" briefly outlines some of the provisions of the Note Indenture. Please review the Note Indenture that we filed with the SEC for a full statement of those provisions. See "Where You Can Find More Information" on how to obtain a copy of the Note Indenture. You may also review the Note Indenture at the Note Trustee's offices at 101 Barclay Street 8W, New York, New York 10286.

Capitalized terms used and defined under this heading "Description of the Medium Term Notes" have the meanings given such terms as defined herein. Capitalized terms used under this heading which are not otherwise defined in this prospectus have the meanings given those terms in the Note Indenture. The summaries under this heading "Description of the Medium Term Notes" are not detailed. Whenever particular provisions of the Note Indenture or terms defined in the Note Indenture are referred to, those statements are qualified by reference to the Note Indenture. References to article and section numbers under this heading "Description of the Medium Term Notes," unless otherwise indicated, are references to article and section numbers of the Note Indenture.

The Notes and all other debentures, notes or other evidences of indebtedness issued under the Note Indenture will be unsecured and will in all respects be equally and ratably entitled to the benefits of the Note Indenture, without preference, priority or distinction, and will rank equally with all other unsecured and unsubordinated indebtedness of SCANA. The Note Indenture does not limit the amount of debt securities that can be issued thereunder, and we may issue Notes in one or more series. The Note Indenture also allows us to "reopen" any series of debt securities (including any series of Notes) by issuing additional debt securities of that series, if permitted by the terms of that series.

Each pricing supplement which accompanies this prospectus in connection with an offering of Notes will set forth some or all of the following information to describe a particular series of Notes:

- any limit upon the aggregate principal amount of the Notes;
- the date or dates on which the principal of the Notes will be payable;
- the rate or rates at which the Notes will bear interest, if any (or the method of calculating the rate); the date or dates from which the interest will accrue; the date or dates on which the interest will be payable ("Interest Payment Dates"); the record dates for the interest payable on the Interest Payment Dates; and the basis upon which interest will be calculated if other than of a 360-day year of twelve 30-day months;
- any option on the part of us or the holders thereof to redeem the Notes and redemption terms and conditions;
- any obligation on our part to redeem or purchase the Notes in accordance with any sinking fund or analogous provisions or at the option of the holder and the relevant terms and conditions for that redemption or purchase;
- the denominations of the Notes;
- whether the Notes are subject to a book-entry system of transfers and payments; and
- any other particular terms of the Notes and of their offering. (Section 301)

RISK FACTORS

Investing in our securities involves a significant degree of risk. In deciding whether to invest in our securities, you should carefully consider those risk factors included in Item 1A, Risk Factors, of our most recent annual reports on Form 10-K, as supplemented by our quarterly reports after such annual report on Form 10-Q, each of which is incorporated herein by reference, and those risk factors that may be included in the applicable pricing or prospectus supplement, together with all of the other information presented in this prospectus, any pricing or prospectus supplement and the documents we have incorporated by reference. Each of these factors could materially adversely affect our operations, financial results and the market price of our securities.

RATIO OF EARNINGS TO FIXED CHARGES AND TO COMBINED FIXED CHARGES AND PREFERENCE SECURITY DIVIDENDS⁽¹⁾

Our historical ratios of earnings to fixed charges and to combined fixed charges and preference security dividends to earnings are as follows:

	Six Months Ended June 30, 2007	Twelve Months Ended June 30, 2007	Year Ended December 31,				
			2006	2005	2004	2003	2002
Ratio of Earnings to Fixed Charges							
SCANA ⁽²⁾	2.68	2.78	2.94	2.19	2.65	2.82	0.53
SCE&G	2.63	3.09	3.32	2.26	3.40	3.25	3.39
Ratio of Earnings to Combined Fixed Charges and Preference Dividends							
SCE&G	2.44	2.87	3.08	2.10	3.15	3.01	3.13

⁽¹⁾ For purposes of these ratios, earnings represent pre-tax income from continuing operations plus fixed charges and distributed income from equity investees, less preferred stock dividend requirements. Fixed charges represent interest charges, preferred security dividend requirements and the estimated interest portion of annual rentals. Preference security dividends represent pre-tax earnings that are required to pay the dividends on SCE&G's outstanding preferred stock.

⁽²⁾ The decrease in the ratio of earnings to fixed charges for 2002 reflects a \$230 million impairment charge related to the acquisition adjustment associated with PSNC Energy, and the recording of impairments on SCANA's investments in certain telecommunications securities. An additional \$106.8 million in income before income taxes would have been needed to obtain a ratio of 1.0 for 2002.

USE OF PROCEEDS

Unless we state otherwise in a pricing or prospectus supplement, the net proceeds from the sale of the securities offered by this prospectus will be used for financing capital expenditures, for refunding, redeeming or retiring debt and preferred stock and for other general corporate purposes. Pending application of the net proceeds for specific purposes, we may invest the proceeds in short-term or marketable securities.

Carolina Gas Transmission Corporation ("CGTC"). CGTC operates as an open access, transportation-only interstate pipeline company and is regulated by the Federal Energy Regulatory Commission.

CGTC transports natural gas in southeastern Georgia and in South Carolina and has interconnections with Southern Natural Gas Company ("Southern Natural") at Port Wentworth, Georgia and with Southern LNG, Inc. at Elba Island, near Savannah, Georgia. CGTC also has interconnections with Southern Natural in Aiken County, South Carolina, and with Transcontinental Gas Pipeline Corporation ("Transco") in Cherokee and Spartanburg counties, South Carolina. CGTC's customers include SCE&G (which uses natural gas for electricity generation and for gas distribution to retail customers), SCANA Energy Marketing, Inc. (which markets natural gas to industrial and sale for resale customers, primarily in the Southeast), other natural gas utilities, municipalities and county gas authorities, and industrial customers primarily engaged in the manufacturing or processing of ceramics, paper, metal, food and textiles.

Principal Nonregulated Business

SCANA Energy Marketing, Inc. SCANA Energy Marketing, Inc. markets natural gas primarily in the southeastern United States, and provides energy-related risk management services to producers and customers. A division of SCANA Energy Marketing, Inc., SCANA Energy, markets natural gas in Georgia's deregulated natural gas market. At June 30, 2007, SCANA Energy had more than 475,000 natural gas customers in the deregulated Georgia market and serves as Georgia's regulated provider under a contract with the Georgia Public Service Commission. SCANA Energy is the second-largest marketer in Georgia's non-regulated retail gas market. SCANA Energy faces significant competition in the Georgia natural gas market.

SCE&G

SCE&G is a regulated public utility engaged in the generation, transmission, distribution and sale of electricity and the purchase, sale and transportation, primarily at retail, of natural gas in South Carolina. SCE&G's electric service area extends into 24 counties covering more than 17,000 square miles of the central, southern and southwestern portions of South Carolina. SCE&G's service area for natural gas encompasses more than 23,000 square miles in all or part of 35 of South Carolina's 46 counties. The total population of the counties representing SCE&G's combined service area is more than 3.0 million. SCE&G's principal executive office is located at 1426 Main Street, Columbia, South Carolina 29201, telephone (803) 217-9000, and its mailing address is Columbia, South Carolina 29218.

SCE&G provides all of its electric generation capacity through its own facilities and through the purchase of all of the electric generation of Williams Station, which is owned by South Carolina Generating Company, Inc. ("GENCO"), a wholly owned subsidiary of SCANA. SCE&G maintains a balanced supply and demand position as it relates to electric generation.

SCE&G also operates and has a two-thirds interest in V. C. Summer Nuclear Station in South Carolina. This station furnished approximately 19% of SCE&G's electric generating capacity in 2006.

The information above concerning us and our subsidiaries is only a summary and does not purport to be comprehensive. For additional information concerning us and our subsidiaries, you should refer to the information described in "Where You Can Find More Information."

You may request a copy of our SEC filings at no cost by writing or telephoning us at the following address:

Bryan D. Hatchell
SCANA Corporation
Columbia, South Carolina 29218
(803) 217-7458

You may obtain more information by contacting our Internet website, at <http://www.scana.com> (which is not intended to be an active hyperlink). The information on our Internet website (other than the documents expressly incorporated by reference as set forth above) is not incorporated by reference in this prospectus, and you should not consider it part of this prospectus.

You should rely only on the information we incorporate by reference or provide in this prospectus or any pricing or prospectus supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or any pricing or prospectus supplement is accurate as of any date other than the date on the front of those documents.

THE REGISTRANTS

SCANA

SCANA is an energy-based holding company which, through its subsidiaries, engages principally in electric and natural gas utility operations and other energy-related businesses. Through its subsidiaries, the Company serves more than 630,000 electric customers in South Carolina and more than 1.2 million natural gas customers in South Carolina, North Carolina and Georgia.

SCANA is a South Carolina corporation with general business powers, and was incorporated on October 10, 1984. SCANA's principal executive office is located at 1426 Main Street, Columbia, South Carolina 29201, telephone (803) 217-9000, and its mailing address is Columbia, South Carolina 29218.

Regulated Utilities

The Company operates its regulated utility businesses in North Carolina and South Carolina through wholly-owned subsidiaries. These regulated businesses continue to be the foundation of the Company's operations and are conducted in an environment supported by growing service territories and favorable regulatory treatment. The Company is allowed, subject to state commission approval during annual fuel and purchased gas cost hearings, full pass-through to retail customers of its electric fuel and natural gas costs. This approval has historically been granted. There is also a weather normalization clause in effect for the Company's natural gas customers in North Carolina and South Carolina. These measures mitigate the Company's commodity price risk and allow it to focus its efforts on serving its customers. The following is a discussion of the Company's principal regulated utility subsidiaries other than SCE&G, which is described below under the heading "SCE&G."

Public Service Company of North Carolina, Incorporated ("PSNC Energy"). PSNC Energy is a public utility engaged primarily in purchasing, selling, transporting and distributing natural gas to approximately 439,000 residential, commercial and industrial customers in North Carolina. PSNC Energy's franchised service area includes 28 counties covering approximately 12,000 square miles of North Carolina.

PSNC Energy is regulated by the North Carolina Utilities Commission ("NCUC"). PSNC Energy's rates are established using a benchmark cost of gas approved by the NCUC, which may be modified periodically to reflect changes in the market price of natural gas and changes in the rates charged by PSNC Energy's pipeline transporters. The NCUC reviews PSNC Energy's gas purchasing practices and prices each year.

(11) the availability of fuels such as coal, natural gas and enriched uranium used to produce electricity; the availability of purchased power and natural gas for distribution; the level and volatility of future market prices for such fuels and purchased power; and the ability to recover the costs for such fuels and purchased power;

(12) performance of the Company's pension plan assets;

(13) inflation;

(14) compliance with regulations; and

(15) the other risks and uncertainties described from time to time in the periodic reports filed by SCANA or its subsidiaries with the SEC.

SCANA and SCE&G disclaim any obligation to update any forward-looking statements.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information on the operation of the public reference room. You may also read our SEC filings at The New York Stock Exchange offices at 20 Broad Street, New York, New York 10005.

This prospectus does not repeat important information that you can find elsewhere in the registration statement and in the reports and other documents which we file with the SEC under the Exchange Act. The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede that information. Each registrant incorporates by reference the documents listed below related to such registrant and all future filings (other than information in such documents that is deemed not to be filed) made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act until all of the securities to which this prospectus relates are sold or the offering is otherwise terminated.

SCANA

- Annual Report on Form 10-K for the year ended December 31, 2006,
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, and June 30, 2007,
- Current Reports on Form 8-K filed February 9, 2007 and February 22, 2007, and
- the description of the Common Stock contained in SCANA's Registration Statement under the Exchange Act on Form 8-B dated November 6, 1984, as amended May 26, 1995.

SCE&G

- Annual Report on Form 10-K for the year ended December 31, 2006,
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, and June 30, 2007, and
- Current Reports on Form 8-K filed February 9, 2007, March 15, 2007, May 23, 2007 and June 26, 2007.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission ("SEC") utilizing a "shelf" registration process. Under this shelf registration process, we may sell any or all of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of these securities. Each time we sell securities, we will provide a pricing or prospectus supplement that will contain specific information about the terms of that offering. The pricing or prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and the relevant pricing or prospectus supplement, together with the additional information described under the heading "Where You Can Find More Information."

As used in this prospectus, "SCANA" or the "Company" refers to SCANA Corporation and "SCE&G" refers to South Carolina Electric & Gas Company. The terms "we," "us" and "our" refer to SCANA when discussing the securities to be issued by SCANA, SCE&G when discussing the securities to be issued by SCE&G, and collectively to SCANA and SCE&G where the context requires.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Statements included in this prospectus, any pricing or prospectus supplement and the documents incorporated by reference herein which are not statements of historical fact are intended to be, and are hereby identified as, "forward-looking statements" for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include, but are not limited to, statements concerning key earnings drivers, customer growth, environmental regulations and expenditures, leverage ratio, projections for pension fund contributions, financing activities, access to sources of capital, impacts of the adoption of new accounting rules, estimated construction and other expenditures and factors affecting the availability of synthetic fuel tax credits. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" or "continue," or the negative of these terms or other similar terminology. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to, the following:

- (1) the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment;
- (2) regulatory actions, particularly changes in rate regulation and environmental regulations;
- (3) current and future litigation;
- (4) changes in the economy, especially in areas served by SCANA and its subsidiaries;
- (5) the impact of competition from other energy suppliers, including competition from alternate fuels in industrial interruptible markets;
- (6) growth opportunities for SCANA's regulated and diversified subsidiaries;
- (7) the results of financing efforts;
- (8) changes in SCANA's or its subsidiaries' accounting rules and accounting policies;
- (9) weather conditions, especially in areas served by SCANA's subsidiaries;
- (10) payment by counterparties as and when due;

TABLE OF CONTENTS

	<u>Page</u>
About this Prospectus	3
Cautionary Statement Regarding Forward-Looking Information	3
Where You Can Find More Information	4
The Registrants	5
Risk Factors	7
Ratio of Earnings to Fixed Charges and to Combined Fixed Charges and Preference Security	
Dividends	7
Use of Proceeds	7
Description of the Medium Term Notes	8
Description of the Common Stock	20
Description of the First Mortgage Bonds	22
Description of the Preferred Stock	29
Book-Entry System	29
Plan of Distribution	31
Experts	32
Validity of the Securities	33

PROSPECTUS

SCANA Corporation
South Carolina Electric & Gas Company
1426 Main Street
Columbia, South Carolina 29201
(803) 217-9000

SCANA CORPORATION

Medium Term Notes and Common Stock

SOUTH CAROLINA ELECTRIC & GAS COMPANY

First Mortgage Bonds and Preferred Stock

This prospectus contains summaries of the general terms of Medium Term Notes (the "Notes") and Common Stock (the "Common Stock") to be issued by SCANA Corporation ("SCANA") and First Mortgage Bonds (the "New Bonds") and Preferred Stock (the "Preferred Stock") to be issued by South Carolina Electric & Gas Company ("SCE&G"). You will find the specific terms of these securities, and the manner in which they are being offered, in supplements to this prospectus. You should read this prospectus and the applicable pricing supplement (with respect to an offering of the Notes) or prospectus supplement (with respect to offerings of the Common Stock, the New Bonds or the Preferred Stock) carefully before you invest.

The Common Stock is listed on The New York Stock Exchange under the symbol "SCG." Unless otherwise indicated in a pricing or prospectus supplement, the other securities described in this prospectus will not be listed on a national securities exchange.

Investing in these securities involves risks. See "Risk Factors" beginning on page 7 herein to read about certain factors you should consider before buying these securities.

We urge you to carefully read this prospectus and the applicable pricing or prospectus supplement, which will describe the specific terms of the offering, before you make your investment decision.

A pricing or prospectus supplement will name any agents or underwriters involved in the sale of these securities and will describe any compensation not described in this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus or any pricing or prospectus supplement. Any representation to the contrary is a criminal offense.

The date of this prospectus is August 7, 2007.

repurchase previously distributed New Bonds in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price for the New Bonds above independent market levels. The underwriters are not required to engage in these activities and may end any of these activities at any time without notice.

BNY Capital Markets, Inc. is an affiliate of The Bank of New York Trust Company, N.A., our Trustee.

Each of the underwriters and certain of their respective affiliates have, from time to time, performed various investment or commercial banking and financial advisory services for us and our affiliates in the ordinary course of business for which they have received customary fees. Affiliates of the underwriters, including the Trustee, are lenders or trustees under various of our and our affiliates' credit facilities and indentures.

We expect that delivery of the New Bonds will be made against payment therefor on or about January 14, 2008, which will be the fifth business day following the date hereof (this settlement date being referred to as "T+5"). Under Rule 15c6-1 of the SEC under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree to otherwise. Accordingly, purchasers who wish to trade New Bonds on the date hereof, or the immediately succeeding day, will be required, by virtue of the fact that the New Bonds initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

LEGAL MATTERS

Certain legal matters in connection with the offering of the New Bonds will be passed on for SCE&G by McNair Law Firm, P.A., and Francis P. Mood, Jr., Esq., both of Columbia, South Carolina, and for the Underwriters by Troutman Sanders LLP, of Virginia Beach, Virginia, which also performs other legal services for us. Troutman Sanders LLP will rely as to all matters of South Carolina law upon the opinion of Francis P. Mood, Jr., Esq., our Senior Vice President and General Counsel.

The statements made under "Description of the First Mortgage Bonds" in the accompanying prospectus, as to matters of law and legal conclusions, have been reviewed by Francis P. Mood, Jr., Esq., and such statements are made upon the authority of such counsel as an expert. At December 31, 2007, Francis P. Mood, Jr., Esq., owned beneficially 972 shares of SCANA Corporation's Common Stock, including shares acquired by the trustee under SCANA's Stock Purchase-Savings Program by use of contributions made by Mr. Mood and earnings thereon and including shares purchased by that trustee by use of SCANA contributions and earnings thereon.

EXPERTS

The financial statements as of December 31, 2006 and 2005, and for each of the three years in the period ended December 31, 2006, and related financial statement schedule, all incorporated by reference in this prospectus supplement and the related prospectus by reference from South Carolina Electric & Gas Company's Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report incorporated by reference herein (which report expresses an unqualified opinion on the financial statements and financial statement schedule and includes an explanatory paragraph in the Form 10-K for the year ended December 31, 2006, referring to the adoption of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," effective December 31, 2006), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

BASIS FOR ISSUANCE OF THE NEW BONDS

We will issue the New Bonds upon the basis of property additions certified to the Trustee and designated by us as the basis for such issuance. See "Description of the First Mortgage Bonds" in the accompanying prospectus. Based upon property additions expected to be certified to the Trustee as of the date of delivery of the New Bonds, we will have unfunded net property additions of approximately \$2.7 billion, sufficient to permit the issuance of approximately \$1.9 billion of additional bonds on the basis thereof (including \$250,000,000 of the New Bonds). As of December 31, 2007, no retired bonds were available to support the issuance of bonds under the Mortgage.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement, dated January 7, 2008, the underwriters named below have severally agreed to purchase, and we have agreed to sell to them, severally, the respective principal amount of New Bonds set forth opposite their names below:

<u>Underwriters</u>	<u>Principal Amount of New Bonds</u>
BNY Capital Markets, Inc.	\$ 75,000,000
Credit Suisse Securities (USA) LLC	75,000,000
Morgan Stanley & Co. Incorporated	75,000,000
Mizuho Securities USA Inc.	25,000,000
Total	<u>\$250,000,000</u>

The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the New Bonds is subject to, among other things, the approval of certain legal matters by their counsel and certain other conditions. The underwriters are obligated to take and pay for all of the New Bonds if any are taken.

The underwriters initially propose to offer part of the New Bonds directly to the public at the public offering price set forth on the cover page of this prospectus supplement and part to certain dealers at a price that represents a concession not in excess of 0.525% of the principal amount of the New Bonds. Any underwriter may allow, and any such dealers may reallow, a concession to certain other dealers not to exceed 0.2625% of the principal amount of the New Bonds. After the initial offering of the New Bonds, the offering price and other selling terms may be changed by the underwriters.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, and to contribute to payments the underwriters may be required to make in respect of any of these liabilities.

We estimate that our total expenses relating to the offering, not including the underwriting discount, will be approximately \$445,000.

We do not intend to apply for listing of the New Bonds on a national securities exchange or for their inclusion in any automated quotation system, but have been advised by the underwriters that they intend to make a market in the New Bonds. The underwriters are not obligated, however, to do so and may discontinue their market making at any time without notice. No assurance can be given as to the liquidity or development of the trading market for the New Bonds.

In order to facilitate the offering of the New Bonds, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the New Bonds. Specifically, the underwriters may overallocate in connection with the offering, creating a short position in the New Bonds for their own account. In addition, to cover overallocations or to stabilize the price of the New Bonds, the underwriters may bid for, and purchase, the New Bonds in the open market. Finally, the underwriters may reclaim selling concessions allowed to an underwriter or a dealer for distributing the New Bonds in the offering, if they

“Adjusted Treasury Rate” means, with respect to any redemption date:

- the yield, under the heading that represents the average for the week immediately preceding the calculation date, appearing in the most recently published statistical release designated as “Statistical Release H.15(519), Selected Interest Rates” or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption “Treasury Constant Maturities,” for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month); or
- if such release (or any successor release) is not published during the week immediately preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate shall be calculated on the third business day preceding the redemption date.

“Comparable Treasury Issue” means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the New Bonds to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of those New Bonds (the “Remaining Life”).

“Comparable Treasury Price” means (1) the average of five Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five Reference Treasury Dealer Quotations, the average of all such quotations.

“Independent Investment Banker” means one of the Reference Treasury Dealers appointed by us.

“Reference Treasury Dealer” means:

- each of Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. Incorporated and one other primary U. S. Government securities dealer in the United States (a “Primary Treasury Dealer”) selected by BNY Capital Markets, Inc., and their respective successors; provided that, if any of the foregoing ceases to be Primary Treasury Dealer, we will substitute another Primary Treasury Dealer; and
- up to two other Primary Treasury Dealers selected by us.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Unless we default in payment of the redemption price, interest will cease to accrue on and after the redemption date on the New Bonds or portions thereof called for redemption.

RISK FACTORS

Investing in our New Bonds involves risks. See "Risk Factors" included in our most recent Annual Report on Form 10-K for the year ended December 31, 2006, within Item 1A, Risk Factors, which is incorporated by reference into this prospectus supplement and the accompanying prospectus, and see page 7 of the accompanying prospectus. Each of the risks described could affect the value of your investment in the New Bonds.

USE OF PROCEEDS

We expect to apply the net proceeds from the sale of the First Mortgage Bonds, 6.05% Series due January 15, 2038 (the "New Bonds") to the repayment of short-term debt primarily incurred as a result of our construction program and for general corporate purposes. As of December 31, 2007, the weighted average maturity of SCE&G's approximately \$322.9 million in short-term debt was approximately 15 days and the weighted average interest rate was 5.75%.

TERMS OF THE NEW BONDS

We will issue the New Bonds under the Indenture dated as of April 1, 1993, as supplemented (the "Mortgage"), made between us and The Bank of New York Trust Company, N.A., successor to NationsBank of Georgia, National Association, as trustee (the "Trustee"). The New Bonds will initially be limited to \$250,000,000 in aggregate principal amount. We may, without the consent of the existing holders of the New Bonds, issue additional bonds under the Mortgage having the same ranking and the same interest rate, maturity and other terms as the New Bonds. Any additional bonds having similar terms, together with the New Bonds, will constitute a single series of bonds under the Mortgage. The following information concerning the New Bonds supplements and should be read in conjunction with the statements under "Description of the First Mortgage Bonds" in the accompanying prospectus.

Form

The New Bonds will be issued as one or more global bonds in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and will be available only in book-entry form. See "Book-Entry System" in the accompanying prospectus.

Interest and Maturity

We will pay interest on the New Bonds from January 14, 2008, at the rate of 6.05% per year (based upon a 360-day year of twelve 30-day months), semiannually in arrears on January 15 and July 15 of each year commencing on July 15, 2008, to holders of record on the preceding January 1 and July 1, respectively. The New Bonds will mature January 15, 2038. The principal and interest are payable at the office or agency of SCE&G in Atlanta, Georgia (currently, the Trustee).

Optional Redemption

The New Bonds are redeemable, in whole or in part, at any time and from time to time, at our option, at a redemption price equal to the greater of:

- 100% of the principal amount of the New Bonds being redeemed, or
- the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 30 basis points (.30%), as calculated by an Independent Investment Banker.

plus, in either of the above cases, accrued and unpaid interest thereon to the redemption date.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission ("SEC"). Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at the public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. You may also read and copy our SEC filings at The New York Stock Exchange offices at 20 Broad Street, New York, New York 10005.

This prospectus supplement does not repeat important information that you can find in our registration statement (File No. 333-145208-01) and in the reports and other documents which we file with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus, and information that we file later with the SEC will automatically update and supersede some of this information. We incorporate by reference our Annual Report on Form 10-K for the year ended December 31, 2006, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, June 30, 2007 and September 30, 2007, our Current Reports on Form 8-K filed February 9, 2007, March 15, 2007, May 23, 2007, June 26, 2007, August 23, 2007 and October 25, 2007 and any future filings (other than information in such documents that is deemed not to be filed) made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act until we sell all of the New Bonds.

We are not required to, and do not, provide annual reports to holders of our debt securities unless specifically requested by a holder.

You may request a copy of our SEC filings at no cost by writing or telephoning us at the following address or phone number, as the case may be:

Bryan Hatchell
Investor Relations Manager
SCANA Corporation
Columbia, South Carolina 29218
(803) 217-7458

You may obtain more information by visiting SCANA Corporation's Internet web site at <http://www.scana.com> (which is not intended to be an active hyperlink). The information on SCANA Corporation's Internet web site is not incorporated by reference in this prospectus supplement or the accompanying prospectus, and you should not consider it part of this prospectus supplement or the accompanying prospectus.

RATIO OF EARNINGS TO FIXED CHARGES

Our historical ratios of earnings to fixed charges are as follows:

Nine Months Ended September 30, 2007	Twelve Months Ended September 30, 2007	Year Ended December 31,				
		2006	2005	2004	2003	2002
3.41	3.23	3.32	2.26	3.40	3.25	3.39

For purposes of this ratio, earnings represent pre-tax income from continuing operations plus fixed charges and distributed income from equity investees, less preferred stock dividend requirements. Fixed charges represent interest charges, preferred security dividend requirements and the estimated interest portion of annual rentals.

TABLE OF CONTENTS

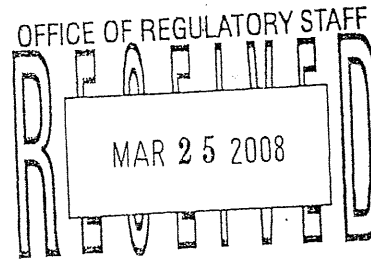
	<u>Page</u>
Prospectus Supplement	
Where You Can Find More Information	S-1
Ratio of Earnings to Fixed Charges	S-1
Risk Factors	S-2
Use of Proceeds	S-2
Terms of the New Bonds	S-2
Basis for Issuance of the New Bonds	S-4
Underwriting	S-4
Legal Matters	S-5
Experts	S-5
Prospectus	
About This Prospectus	3
Cautionary Statement Regarding Forward-Looking Information	3
Where You Can Find More Information	4
The Registrants	5
Risk Factors	7
Ratio of Earnings to Fixed Charges and to Combined Fixed Charges and Preference Security	7
Dividends	7
Use of Proceeds	8
Description of the Medium Term Notes	20
Description of the Common Stock	22
Description of the First Mortgage Bonds	29
Description of the Preferred Stock	29
Book-Entry System	31
Plan of Distribution	32
Experts	32
Validity of the Securities	33

You should rely only on the information contained in this document or to which we have referred you. We have not, and the underwriters have not, authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document or incorporated by reference in this document may only be accurate on the date of this document or the date of the document in which incorporated information appears.

When this prospectus supplement uses the words "SCE&G," "we," "us," and "our," they refer to the South Carolina Electric & Gas Company, unless otherwise expressly stated or the context otherwise requires.

Our mailing address is 1426 Main Street, Columbia, South Carolina 29201, and our telephone number is (803) 217-9000.

**Due to electric rate case proceeding (Docket No. 2007-229-E)
in 2007, only the December Quarterly Report was filed.**



March 25, 2008

Mr. Charles Terreni
Chief Clerk & Administrator
The Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Dear Mr. Terreni:

Attached is a copy of the CEO's certification of the Quarterly Reports for South Carolina Electric & Gas Company, Electric Retail Operations and Gas Distribution Operations, for the twelve months ended December 31, 2007. Please place it with the Quarterly Reports, which were filed on March 14, 2008, when the CEO was out of the office.

Sincerely,

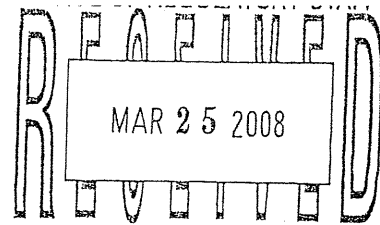
Kenneth R. Jackson

cw

Attachments

cc: John Flitter (ORS)
Jay Jashinsky (ORS)

CERTIFICATION



I, William B. Timmerman, state and attest, under penalty of perjury, that the attached Quarterly Reports of Retail Electric Operations and Gas Distribution Operations are filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said reports and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

A handwritten signature in dark ink, appearing to read "WBT", followed by a horizontal line.

Signature of Chief Executive Officer

William B. Timmerman

Typed or Printed Name of Person Signing

Chairman of the Board, Chief Executive Officer
Title

3-24-08

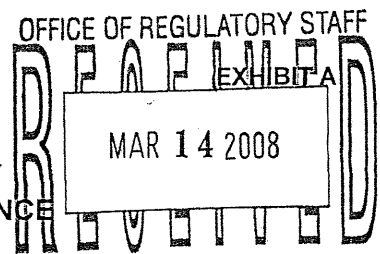
Date Signed

Subscribed and Sworn to me on this 24th of March,
20 08.

Robert E Long
Notary Public

My Commission Expires: 12/21/14

SOUTH CAROLINA ELECTRIC & GAS COMPANY
TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE
12 MONTHS ENDED
December, 2007



DESCRIPTION	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	COL. A	COL. B	COL. C
	\$	\$	\$
<u>OPERATING REVENUES</u>	<u>524,774,173</u>	<u>4,052,963</u>	<u>528,827,136</u>
<u>OPERATING EXPENSES</u>			
Cost of Gas	392,378,091		392,378,091
Other O&M Expenses	58,612,924	(405,355)	58,207,569
Deprec. & Amort. Expenses	19,049,751	2,466,441	21,516,192
Taxes Other Than Income	13,516,640	1,898,552	15,415,192
Income Taxes	<u>11,788,895</u>	<u>65,117</u>	<u>11,854,011</u>
Total Operating Expenses	495,346,301	4,024,754	499,371,055
Operating Return	29,427,873	28,208	29,456,081
Customer Growth	611,379	586	611,965
Int. on Cust. Deposits Net	(139,473)		(139,473)
Total Income For Return	<u>29,899,778</u>	<u>28,794</u>	<u>29,928,572</u>
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	675,331,287	(144,584)	675,186,703
Reserve for Depre.	<u>275,635,898</u>	<u>2,366,834</u>	<u>278,002,732</u>
Net Plant	399,695,389	(2,511,418)	397,183,971
CWIP	14,168,943	(296,105)	13,872,838
Accum. Def. Income Taxes	(61,221,235)	0	(61,221,235)
Net Deferred Debits / Credits	(8,312,238)	(26,509)	(8,338,747)
Materials & Supplies	48,808,201	0	48,808,201
Working Capital	(6,361,366)	(50,669)	(6,412,036)
Total Original Cost Rate Base	<u>386,777,694</u>	<u>(2,884,701)</u>	<u>383,892,992</u>
RATE OF RETURN	7.73%		7.80%
RETURN ON EQUITY	<u>9.00%</u>		<u>9.12%</u>

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPREC & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPRE	CWIP	OPEB'S	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	535,960			2,689	26,664	177,312					-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		204,347		14,495	(10,942)	(72,765)					25,543
3	NORMALIZE INCENTIVE COMPENSATION		(784,918)		(53,145)	41,903	278,656					(98,115)
4	ANNUALIZE PENSION INCOME		189,187			(9,459)	(62,905)					23,648
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		42,930			(2,147)	(14,274)				(26,509)	5,366
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(510,530)			25,527	169,751					(63,816)
7	REMOVE EMPLOYEE CLUBS		(62,603)	(16,373)		3,949	26,260	(440,678)	(115,969)	-		(7,825)
8	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(11)	(11)			-
9	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	296,105		(296,105)		-
10	ANNUALIZE DEPRECIATION- ADJUST RESERVE			2,482,814		(124,141)	(825,536)		2,482,814			-
11	ANNUALIZE PROPERTY TAXES				1,916,864	(95,843)	(637,357)					-
12	CUSTOMER AWARENESS CAMPAIGN EXPENSES		189,300			(9,465)	(62,942)					23,663
13	FRANCHISE FEE - UNBILLED REVENUE ADJUSTMENT	(510,239)			(2,560)	(25,384)	(168,803)					-
14	ANNUALIZE APPROVED REVENUE INCREASE - 2007				20,209	200,352	1,332,339					-
15	RSA PROCEEDING HEALTH CARE	4,027,242	326,932			(16,347)	(108,705)					40,867
16	TAX EFFECT OF ANNUALIZED INTEREST					3,846	25,574					-
	TOTAL ADJUSTMENTS	4,052,963	(405,355)	2,466,441	1,898,552	8,512	56,605	(144,584)	2,366,834	(296,105)	(26,509)	(50,669)

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
GAS ANNUALIZED INTEREST EXPENSE
12 MONTHS ENDED
December, 2007

RATE BASE		\$386,777,694
LONG-TERM DEBT RATIO		<u>0.4307</u>
		\$166,601,581
AVERAGE COST OF DEBT		<u>0.0619</u>
ANNUALIZED INTEREST		\$10,312,638
TAX BOOK INTEREST		\$10,044,600
INTEREST ADJUSTMENT		<u>\$268,038</u>
ADJUSTMENT TO INCOME TAXES:		
STATE INCOME TAX	<u>(\$13,402)</u>	
FEDERAL INCOME TAX	<u>(\$89,123)</u>	
TOTAL INCOME TAX EFFECT		<u>(\$102,524)</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATE BASE DETAIL TOTAL GAS OPERATIONS
12 MONTHS ENDED
December, 2007

<u>NET DEFERRED DEBITS/CREDITS</u>	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	\$	\$	\$
ENVIRONMENTAL	1,181,794	0	1,181,794
PROPANE AIR PLANTS	1,116,184	0	1,116,184
FSB 106 RATE BASE REDUCTION	(10,610,216)	(26,509)	(10,636,725)
TOTAL	<u>(8,312,238)</u>	<u>(26,509)</u>	<u>(8,338,747)</u>
 <u>MATERIALS & SUPPLIES</u>			
NATURAL GAS STORAGE	47,259,295	0	47,259,295
OTHER M&S	1,548,906	0	1,548,906
TOTAL	<u>48,808,201</u>	<u>0</u>	<u>48,808,201</u>
 <u>WORKING CAPITAL</u>			
WORKING CASH	7,326,615	(50,669)	7,275,946
PREPAYMENTS	1,422,806	0	1,422,806
CUSTOMER DEPOSITS	(7,281,423)	0	(7,281,423)
AVERAGE TAX ACCRUALS	(7,340,890)	0	(7,340,890)
INJURIES & DAMAGES	(488,475)	0	(488,475)
TOTAL WORKING CAPITAL	<u>(6,361,366)</u>	<u>(50,669)</u>	<u>(6,412,036)</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
WEIGHTED COST OF CAPITAL

	AMOUNT PER BOOKS Dec-07 (COL. 1)	CAPITALIZATION RATIO (COL. 2) %	COST OF DEBT RETURN ON EQUITY (COL. 3) %	WEIGHTED COST OF CAPITAL (COL. 4) %
LONG-TERM DEBT	2,071,488,400	43.07%	6.19%	2.67%
PREFERRED STOCK	114,158,800	2.37%	6.42%	0.15%
COMMON EQUITY	2,623,463,867	54.55%	9.12%	4.98%
TOTAL	4,809,111,067	100.00%		7.80%

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

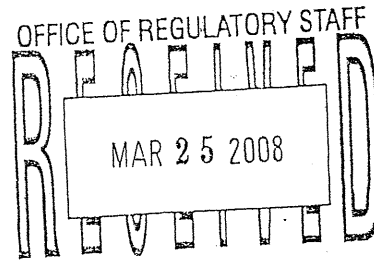
Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED December 31, 2007

NET INCOME AFTER DIV. OF PREF. STOCK	\$237,814,043
EARNINGS PER SHARE	\$2.04
AVG. NUMBER OF SHARES OUTSTANDING	116,669,125

SOUTH CAROLINA ELECTRIC & GAS COMPANY
 RATIO OF EARNINGS TO FIXED CHARGES ¹
 TWELVE MONTHS ENDED December 31, 2007

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	350,941
3	Losses from Equity Investees	19,526
4	Total Fixed Charges, As Below	<u>148,720</u>
5	TOTAL EARNINGS	<u>519,187</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	115,633
8	Other Interest	24,440
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,386
10	Rental Int. Portion	5,261
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	148,720
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,749</u>
14	Total Fixed Charges and Preference Security Dividend	<u>160,469</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.24
16	¹ - SEC COVERAGE	




March 25, 2008

Mr. Charles Terreni
Chief Clerk & Administrator
The Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Dear Mr. Terreni:

Attached is a copy of the CEO's certification of the Quarterly Reports for South Carolina Electric & Gas Company, Electric Retail Operations and Gas Distribution Operations, for the twelve months ended December 31, 2007. Please place it with the Quarterly Reports, which were filed on March 14, 2008, when the CEO was out of the office.

Sincerely,



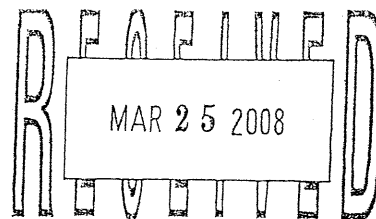
Kenneth R. Jackson

cw

Attachments

cc: John Flitter (ORS)
Jay Jashinsky (ORS)

CERTIFICATION



I, William B. Timmerman, state and attest, under penalty of perjury, that the attached Quarterly Reports of Retail Electric Operations and Gas Distribution Operations are filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said reports and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

A handwritten signature in black ink, appearing to read "WBT", written over a horizontal line.

Signature of Chief Executive Officer

William B. Timmerman

Typed or Printed Name of Person Signing

Chairman of the Board, Chief Executive Officer
Title

3-24-08

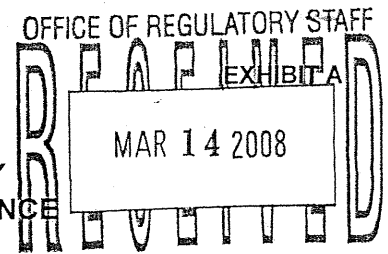
Date Signed

Subscribed and Sworn to me on this 24th of March,
20 08.

Robert E Long
Notary Public

My Commission Expires: 12/21/14

SOUTH CAROLINA ELECTRIC & GAS COMPANY
TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE
12 MONTHS ENDED
December, 2007



DESCRIPTION	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	COL. A	COL. B	COL. C
	\$	\$	\$
<u>OPERATING REVENUES</u>	524,774,173	4,052,963	528,827,136
<u>OPERATING EXPENSES</u>			
Cost of Gas	392,378,091		392,378,091
Other O&M Expenses	58,612,924	(405,355)	58,207,569
Deprec. & Amort. Expenses	19,049,751	2,466,441	21,516,192
Taxes Other Than Income	13,516,640	1,898,552	15,415,192
Income Taxes	11,788,895	65,117	11,854,011
Total Operating Expenses	495,346,301	4,024,754	499,371,055
Operating Return	29,427,873	28,208	29,456,081
Customer Growth	611,379	586	611,965
Int. on Cust. Deposits Net	(139,473)		(139,473)
Total Income For Return	29,899,778	28,794	29,928,572
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	675,331,287	(144,584)	675,186,703
Reserve for Depre.	275,635,898	2,366,834	278,002,732
Net Plant	399,695,389	(2,511,418)	397,183,971
CWIP	14,168,943	(296,105)	13,872,838
Accum. Def. Income Taxes	(61,221,235)	0	(61,221,235)
Net Deferred Debits / Credits	(8,312,238)	(26,509)	(8,338,747)
Materials & Supplies	48,808,201	0	48,808,201
Working Capital	(6,361,366)	(50,669)	(6,412,036)
Total Original Cost Rate Base	386,777,694	(2,884,701)	383,892,992
RATE OF RETURN	7.73%		7.80%
RETURN ON EQUITY	9.00%		9.12%

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPREC & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPRE	CWIP	OPEB'S	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	535,960			2,689	26,664	177,312					
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		204,347		14,495	(10,942)	(72,765)					25,543
3	NORMALIZE INCENTIVE COMPENSATION		(784,918)		(53,145)	41,903	278,656					(98,115)
4	ANNUALIZE PENSION INCOME		189,187			(9,459)	(62,905)					23,648
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		42,930			(2,147)	(14,274)				(26,509)	5,366
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(510,530)			25,527	169,751					(63,816)
7	REMOVE EMPLOYEE CLUBS RECOGNIZE PROPERTY		(62,603)	(16,373)		3,949	26,260	(440,678)	(115,969)	-		(7,825)
8	RETIREMENTS, DEPRECIATION RESERVES					-	-	(11)	(11)			
9	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	296,105		(296,105)		
10	ANNUALIZE DEPRECIATION- ADJUST RESERVE			2,482,814		(124,141)	(825,536)		2,482,814			
11	ANNUALIZE PROPERTY TAXES				1,916,864	(95,843)	(637,357)					
12	CUSTOMER AWARENESS CAMPAIGN EXPENSES		189,300			(9,465)	(62,942)					23,663
13	FRANCHISE FEE - UNBILLED REVENUE ADJUSTMENT	(510,239)			(2,560)	(25,384)	(168,803)					
14	ANNUALIZE APPROVED REVENUE INCREASE - 2007	4,027,242			20,209	200,352	1,332,339					
15	RSA PROCEEDING HEALTH CARE		326,932			(16,347)	(108,705)					40,867
16	TAX EFFECT OF ANNUALIZED INTEREST					3,846	25,574					
	TOTAL ADJUSTMENTS	4,052,963	(405,355)	2,466,441	1,898,552	8,512	56,605	(144,584)	2,366,834	(296,105)	(26,509)	(50,669)

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
GAS ANNUALIZED INTEREST EXPENSE
12 MONTHS ENDED
December, 2007

RATE BASE	\$386,777,694
LONG-TERM DEBT RATIO	<u>0.4307</u>
	\$166,601,581
AVERAGE COST OF DEBT	<u>0.0619</u>
ANNUALIZED INTEREST	\$10,312,638
 TAX BOOK INTEREST	 \$10,044,600
INTEREST ADJUSTMENT	<u>\$268,038</u>

ADJUSTMENT TO INCOME TAXES:

STATE INCOME TAX (\$13,402)

FEDERAL INCOME TAX (\$89,123)

TOTAL INCOME TAX EFFECT (\$102,524)

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATE BASE DETAIL TOTAL GAS OPERATIONS
12 MONTHS ENDED
December, 2007

<u>NET DEFERRED DEBITS/CREDITS</u>	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	\$	\$	\$
ENVIRONMENTAL	1,181,794	0	1,181,794
PROPANE AIR PLANTS	1,116,184	0	1,116,184
FSB 106 RATE BASE REDUCTION	(10,610,216)	(26,509)	(10,636,725)
TOTAL	(8,312,238)	(26,509)	(8,338,747)
<u>MATERIALS & SUPPLIES</u>			
NATURAL GAS STORAGE	47,259,295	0	47,259,295
OTHER M&S	1,548,906	0	1,548,906
TOTAL	48,808,201	0	48,808,201
<u>WORKING CAPITAL</u>			
WORKING CASH	7,326,615	(50,669)	7,275,946
PREPAYMENTS	1,422,806	0	1,422,806
CUSTOMER DEPOSITS	(7,281,423)	0	(7,281,423)
AVERAGE TAX ACCRUALS	(7,340,890)	0	(7,340,890)
INJURIES & DAMAGES	(488,475)	0	(488,475)
TOTAL WORKING CAPITAL	(6,361,366)	(50,669)	(6,412,036)

SOUTH CAROLINA ELECTRIC & GAS COMPANY
WEIGHTED COST OF CAPITAL

	AMOUNT PER BOOKS Dec-07 (COL. 1)	CAPITALIZATION RATIO (COL. 2) %	COST OF DEBT RETURN ON EQUITY (COL. 3) %	WEIGHTED COST OF CAPITAL (COL. 4) %
LONG-TERM DEBT	2,071,488,400	43.07%	6.19%	2.67%
PREFERRED STOCK	114,158,800	2.37%	6.42%	0.15%
COMMON EQUITY	2,623,463,867	54.55%	9.12%	4.98%
TOTAL	4,809,111,067	100.00%		7.80%

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED December 31, 2007

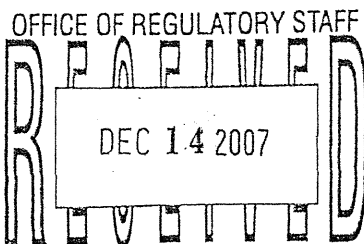
NET INCOME AFTER DIV. OF PREF. STOCK	\$237,814,043
EARNINGS PER SHARE	\$2.04
AVG. NUMBER OF SHARES OUTSTANDING	116,669,125

SOUTH CAROLINA ELECTRIC & GAS COMPANY
 RATIO OF EARNINGS TO FIXED CHARGES ¹
 TWELVE MONTHS ENDED December 31, 2007

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	350,941
3	Losses from Equity Investees	19,526
4	Total Fixed Charges, As Below	<u>148,720</u>
5	TOTAL EARNINGS	<u>519,187</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	115,633
8	Other Interest	24,440
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,386
10	Rental Int. Portion	5,261
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	148,720
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,749</u>
14	Total Fixed Charges and Preference Security Dividend	<u>160,469</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.24
16	¹ - SEC COVERAGE	



December 14, 2007



Mr. Charles Terreni
Chief Clerk & Administrator
The Public Service Commission of South Carolina
Post Office Drawer 116489
Columbia, South Carolina 29211

Dear Mr. Terreni:

Attached is a copy of the CEO's certification and the Quarterly Reports for South Carolina Electric & Gas Company, Gas Distribution Operations, for the twelve months ended September 30, 2007. The CFO is out of the office and will sign his Certification upon his returning. It will be forwarded to you as soon as it is signed.

Sincerely,

Kenneth R. Jackson

cw

Attachments

cc: John Flitter (ORS)
Jay Jashinsky (ORS)

CERTIFICATION

I, William B. Timmerman, state and attest, under penalty of perjury, that the attached Quarterly Report of Gas Distribution Operations is filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Signature of Chief Executive Officer

William B. Timmerman


Typed or Printed Name of Person Signing

Chairman of the Board, Chief Executive Officer
Title

December 14, 2007

Date Signed

Subscribed and Sworn to me on this 14th of December,
2007.



Notary Public

My Commission Expires: My Commission Expires June 28, 2009

SOUTH CAROLINA ELECTRIC & GAS COMPANY
TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE
12 MONTHS ENDED
September, 2007

DESCRIPTION	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	COL. A	COL. B	COL. C
	\$	\$	\$
<u>OPERATING REVENUES</u>	526,482,164	6,239,624	532,721,788
<u>OPERATING EXPENSES</u>			
Cost of Gas	396,912,611		396,912,611
Other O&M Expenses	59,345,082	(603,750)	58,741,332
Deprec. & Amort. Expenses	18,971,833	2,282,421	21,254,254
Taxes Other Than Income	12,652,659	2,626,062	15,278,721
Income Taxes	10,790,573	767,985	11,558,558
Total Operating Expenses	498,672,759	5,072,717	503,745,476
Operating Return	27,809,405	1,166,907	28,976,312
Customer Growth	577,754	24,243	601,997
Int. on Cust. Deposits Net	(136,377)		(136,377)
Total Income For Return	28,250,782	1,191,150	29,441,932
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	662,004,025	21,771	662,025,796
Reserve for Depre.	273,025,920	1,843,491	274,869,411
Net Plant	388,978,105	(1,821,720)	387,156,385
CWIP	11,522,584	(793,012)	10,729,572
Accum. Def. Income Taxes	(56,247,335)	0	(56,247,335)
Net Deferred Debits / Credits	(7,344,405)	(8,802)	(7,353,207)
Materials & Supplies	50,821,318	0	50,821,318
Working Capital	(9,532,840)	(75,469)	(9,608,309)
Total Original Cost Rate Base	378,197,427	(2,699,003)	375,498,424
RATE OF RETURN	7.47%		7.84%
RETURN ON EQUITY	8.54%		9.23%

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
GAS ANNUALIZED INTEREST EXPENSE
12 MONTHS ENDED
September, 2007

RATE BASE	\$378,197,427
LONG-TERM DEBT RATIO	<u>0.4357</u>
	\$164,785,476
AVERAGE COST OF DEBT	<u>0.0620</u>
ANNUALIZED INTEREST	\$10,216,700
 TAX BOOK INTEREST	 \$9,857,831
INTEREST ADJUSTMENT	<u>\$358,869</u>

ADJUSTMENT TO INCOME TAXES:

STATE INCOME TAX (\$17,943)

FEDERAL INCOME TAX (\$119,324)

TOTAL INCOME TAX EFFECT (\$137,267)

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATE BASE DETAIL TOTAL GAS OPERATIONS
12 MONTHS ENDED
September, 2007

	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
<u>NET DEFERRED DEBITS/CREDITS</u>			
	\$	\$	\$
ENVIRONMENTAL	1,220,864	0	1,220,864
PROPANE AIR PLANTS	1,896,427	(15,367)	1,881,060
FSB 106 RATE BASE REDUCTION	(10,461,696)	6,565	(10,455,131)
TOTAL	<u>(7,344,405)</u>	<u>(8,802)</u>	<u>(7,353,207)</u>
<u>MATERIALS & SUPPLIES</u>			
NATURAL GAS STORAGE	49,458,519	0	49,458,519
OTHER M&S	1,362,799	0	1,362,799
TOTAL	<u>50,821,318</u>	<u>0</u>	<u>50,821,318</u>
<u>WORKING CAPITAL</u>			
WORKING CASH	7,418,135	(75,469)	7,342,667
PREPAYMENTS	(1,498,716)	0	(1,498,716)
CUSTOMER DEPOSITS	(7,217,841)	0	(7,217,841)
AVERAGE TAX ACCRUALS	(7,682,793)	0	(7,682,793)
INJURIES & DAMAGES	(551,625)	0	(551,625)
TOTAL WORKING CAPITAL	<u>(9,532,840)</u>	<u>(75,469)</u>	<u>(9,608,309)</u>

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPREC & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPRE	CWIP	OPEB'S	REGULATORY ASSET	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	568,260			2,957	28,265	187,963						-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		331,421		23,478	(17,745)	(118,004)						41,428
3	NORMALIZE INCENTIVE COMPENSATION		(668,039)		(50,672)	35,936	238,971						(83,505)
4	ANNUALIZE PENSION INCOME		(78,478)			3,924	26,094						(9,810)
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		(10,632)			532	3,535				6,565		(1,329)
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(455,129)			22,756	151,330						(56,891)
7	REMOVE EMPLOYEE CLUBS		(66,963)	(16,331)		4,165	27,695	(440,148)	(109,139)	(338)			(8,370)
8	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(330,755)	(330,755)				-
9	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	792,674		(792,674)			-
10	ANNUALIZE DEPRECIATION- ADJUST RESERVE			2,194,251		(109,713)	(729,588)		2,194,251				-
11	ANNUALIZE PROPERTY TAXES				2,620,785	(131,039)	(871,411)						-
12	ANNUALIZE AMORTIZATION EXPENSE FOR REGULATORY ASSET - PROPANE AIR PLANT			15,367		(768)	(5,110)					(15,367)	-
13	ANNUALIZE LNG ASSETS - INCREASE EXPENSE		193,233	89,134		(14,118)	(93,887)		89,134				24,154
14	ANNUALIZE APPROVED REVENUE INCREASE - 2006 & 2007 RSA PROCEEDINGS	5,671,364			29,514	282,093	1,875,915						-
15	ANNUALIZE POSTAGE INCREASE		23,795			(1,190)	(7,912)						2,974
16	HEALTH CARE		127,042			(6,352)	(42,241)						15,880
17	TAX EFFECT OF ANNUALIZED INTEREST					3,646	24,243						-
	TOTAL ADJUSTMENTS	6,239,624	(603,750)	2,282,421	2,626,062	100,390	667,594	21,771	1,843,491	(793,012)	6,565	(15,367)	(75,469)

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
WEIGHTED COST OF CAPITAL**

	AMOUNT PER BOOKS Sep-07 (COL. 1)	CAPITALIZATION RATIO (COL. 2) %	COST OF DEBT RETURN ON EQUITY (COL. 3) %	WEIGHTED COST OF CAPITAL (COL. 4) %
LONG-TERM DEBT	2,096,488,400	43.57%	6.20%	2.70%
PREFERRED STOCK	114,158,800	2.37%	6.42%	0.15%
COMMON EQUITY	2,600,981,452	54.06%	9.23%	4.99%
TOTAL	4,811,628,652	100.00%		7.84%

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

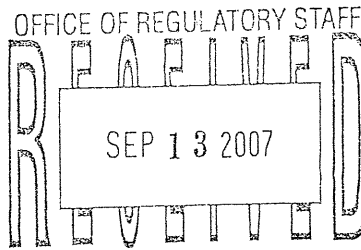
Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED September 30, 2007

NET INCOME AFTER DIV. OF PREF. STOCK	\$222,210,089
EARNINGS PER SHARE	\$1.91
AVG. NUMBER OF SHARES OUTSTANDING	116,637,287

SOUTH CAROLINA ELECTRIC & GAS COMPANY
 RATIO OF EARNINGS TO FIXED CHARGES ¹
 TWELVE MONTHS ENDED September 30, 2007

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	319,636
3	Losses from Equity Investees	20,965
4	Total Fixed Charges, As Below	<u>147,131</u>
5	TOTAL EARNINGS	<u>487,732</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	117,453
8	Other Interest	21,230
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,412
10	Rental Int. Portion	5,036
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	147,131
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,758</u>
14	Total Fixed Charges and Preference Security Dividend	<u>158,889</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.07
16	¹ - SEC COVERAGE	



September 13, 2007

Mr. Charles Terreni
Chief Clerk & Administrator
The Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Dear Mr. Terreni:

Attached are copies of the Quarterly Report for South Carolina Electric & Gas Company, Gas Distribution Operations, for the twelve months ended June, 2007. The certification from the CFO is included. The CEO is out of the office and will sign his Certification upon his returning. It will be forwarded to you as soon as it is signed.

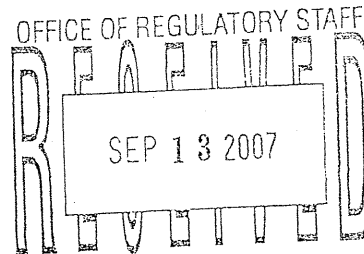
Sincerely,

Kenneth R. Jackson

cw

Attachments

c: John Flitter (ORS)
Jay Jashinsky (ORS)



CERTIFICATION

I, Jimmy E. Addison, state and attest, under penalty of perjury, that the attached Quarterly Report of Gas Distribution Operations is filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Signature of Chief Financial Officer

Jimmy E. Addison

Typed or Printed Name of Person Signing

Chief Financial Officer

Title

September 13, 2007

Date Signed

Subscribed and Sworn to me on this 13th of September 2007.

Notary Public

My Commission Expires: September 13, 2011

SOUTH CAROLINA ELECTRIC & GAS COMPANY
TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE
12 MONTHS ENDED
June, 2007

OFFICE OF REGULATORY STAFF
RECEIVED
SEP 13 2007

<u>DESCRIPTION</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u>	<u>ACCOUNTING & PRO FORMA ADJUSTMENTS</u>	<u>TOTAL AS ADJUSTED</u>
	COL. A	COL. B	COL. C
	\$	\$	\$
<u>OPERATING REVENUES</u>	518,367,344	6,488,925	524,856,269
<u>OPERATING EXPENSES</u>			
Cost of Gas	393,624,262		393,624,262
Other O&M Expenses	58,442,850	1,911,077	60,353,927
Deprec. & Amort. Expenses	18,504,772	1,999,678	20,504,450
Taxes Other Than Income	12,659,667	2,063,502	14,723,169
Income Taxes	9,615,664	219,317	9,834,981
Total Operating Expenses	492,847,215	6,193,574	499,040,789
Operating Return	25,520,129	295,351	25,815,480
Customer Growth	530,193	6,136	536,329
Int. on Cust. Deposits Net	(132,298)		(132,298)
Total Income For Return	25,918,024	301,487	26,219,511
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	645,002,585	457,576	645,460,161
Reserve for Depre.	268,944,862	1,905,855	270,850,717
Net Plant	376,057,723	(1,448,279)	374,609,444
CWIP	13,491,456	(909,314)	12,582,142
Accum. Def. Income Taxes	(43,543,335)	0	(43,543,335)
Net Deferred Debits / Credits	(6,159,294)	(26,209)	(6,185,503)
Materials & Supplies	53,008,437	0	53,008,437
Working Capital	(9,440,025)	238,885	(9,201,140)
Total Original Cost Rate Base	383,414,963	(2,144,917)	381,270,046
<u>RATE OF RETURN</u>	6.76%		6.88%
<u>RETURN ON EQUITY</u>	7.23%		7.45%

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
GAS ANNUALIZED INTEREST EXPENSE
12 MONTHS ENDED
June, 2007

RATE BASE		\$383,414,963
LONG-TERM DEBT RATIO		<u>0.4415</u>
		\$169,270,252
AVERAGE COST OF DEBT		<u>0.0620</u>
ANNUALIZED INTEREST		\$10,494,756
TAX BOOK INTEREST		\$9,622,086
INTEREST ADJUSTMENT		<u>\$872,670</u>
ADJUSTMENT TO INCOME TAXES:		
STATE INCOME TAX	<u>(\$43,633)</u>	
FEDERAL INCOME TAX	<u>(\$290,163)</u>	
TOTAL INCOME TAX EFFECT		<u>(\$333,796)</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATE BASE DETAIL TOTAL GAS OPERATIONS
12 MONTHS ENDED
June, 2007

NET DEFERRED DEBITS/CREDITS	PER BOOKS ADJ FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
	\$	\$	\$
ENVIRONMENTAL	2,228,466	0	2,228,466
PROPANE AIR PLANTS	1,931,151	(39,697)	1,891,454
FSB 106 RATE BASE REDUCTION	(10,318,911)	13,488	(10,305,423)
TOTAL	<u>(6,159,294)</u>	<u>(26,209)</u>	<u>(6,185,503)</u>
<u>MATERIALS & SUPPLIES</u>			
NATURAL GAS STORAGE	51,968,647	0	51,968,647
OTHER M&S	1,039,790	0	1,039,790
TOTAL	<u>53,008,437</u>	<u>0</u>	<u>53,008,437</u>
<u>WORKING CAPITAL</u>			
WORKING CASH	7,305,356	238,885	7,544,241
PREPAYMENTS	(1,523,107)	0	(1,523,107)
CUSTOMER DEPOSITS	(7,174,344)	0	(7,174,344)
AVERAGE TAX ACCRUALS	(7,397,959)	0	(7,397,959)
INJURIES & DAMAGES	(649,970)	0	(649,970)
TOTAL WORKING CAPITAL	<u>(9,440,025)</u>	<u>238,885</u>	<u>(9,201,140)</u>

SUPPLEMENTAL SCHEDULE
TO EXHIBIT A

ADJ #	DESCRIPTION	REVENUE	DEPRECIATION EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35.0%	RENTAL IN SERVICE	ACCUM DEPRE	GWIP	OTHERS	REGULATORY ASSET	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	596,870		3,106	29,688	197,426						-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		889,189	62,984	(47,609)	(316,598)						111,149
3	NORMALIZE INCENTIVE COMPENSATION		(481,210)	(38,413)	25,981	172,775						(60,151)
4	ANNUALIZE PENSION INCOME		(183,613)		9,181	61,051						(22,952)
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		(21,843)		1,092	7,263				13,488		(2,730)
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(683,073)		34,154	227,122						(85,384)
7	REMOVE EMPLOYEE CLUBS		(64,580)		6,449	42,885	(439,576)	(107,193)	(862)			(8,073)
8	ANNUALIZE CUSTOMER AWARENESS PROGRAM		1,893,937		(94,697)	(629,734)						236,742
9	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES				-	-	(11,330)	(11,330)				-
10	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE				-	-	908,482		(908,452)			-
11	ANNUALIZE DEPRECIATION- ADJUST RESERVE		1,665,135		(83,257)	(553,657)		1,665,135				-
12	ANNUALIZE PROPERTY TAXES			2,005,162	(100,258)	(666,716)						-
13	ANNUALIZE AMORTIZATION EXPENSE FOR REGULATORY ASSET - PROPANE AIR PLANT				(1,985)	(13,199)					(39,697)	-
14	ANNUALIZE LNG ASSETS - INCREASE EXPENSE		526,578		(44,291)	(294,535)		359,243				65,822
15	ANNUALIZE APPROVED REVENUE INCREASE - 2006 RSA PROCEEDING	4,298,789		22,371	213,821	1,421,909						-
16	RECOGNIZE DEMAND COST NOT RECOVERED	1,593,266		8,291	79,249	527,004						-
17	ANNUALIZE POSTAGE INCREASE		35,692		(1,785)	(11,868)						4,462
18	TAX EFFECT OF ANNUALIZED INTEREST				2,936	19,521						-
	TOTAL ADJUSTMENTS	6,488,925	1,911,077	2,063,502	28,669	190,648	457,576	1,905,855	(909,314)	13,488	(39,697)	238,885

SOUTH CAROLINA ELECTRIC & GAS COMPANY
WEIGHTED COST OF CAPITAL

	AMOUNT PER BOOKS Jun-07 (COL 1)	CAPITALIZATION RATIO (COL 2)	COST OF DEBT RETURN ON EQUITY (COL 3)	WEIGHTED COST OF CAPITAL (COL 4)
LONG-TERM DEBT	2,096,488,400	44.15%	6.20%	2.74%
PREFERRED STOCK	114,338,800	2.41%	6.42%	0.15%
COMMON EQUITY	2,537,940,013	53.44%	7.46%	3.99%
TOTAL	<u>4,748,767,213</u>	<u>100.00%</u>		<u>6.88%</u>

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED June 30, 2007

NET INCOME AFTER DIV. OF PREF. STOCK	\$216,364,209
EARNINGS PER SHARE	\$1.86
AVG. NUMBER OF SHARES OUTSTANDING	116,482,010

SOUTH CAROLINA ELECTRIC & GAS COMPANY
 RATIO OF EARNINGS TO FIXED CHARGES ¹
 TWELVE MONTHS ENDED June 30, 2007

LINE NO.		\$000's
1	EARNINGS	
2	Net Income	290,377
3	Losses from Equity Investees	22,187
4	Total Fixed Charges, As Below	<u>144,632</u>
5	TOTAL EARNINGS	<u>457,196</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	118,770
8	Other Interest	17,565
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,433
10	Rental Int. Portion	4,864
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	144,632
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,768</u>
14	Total Fixed Charges and Preference Security Dividend	<u>156,400</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	2.92
16	¹ - SEC COVERAGE	



June 15, 2007

K. Chad Burgess
Senior Counsel

chad.burgess@scana.com

SC PUBLIC SERVICE
COMMISSION

2007 JUN 15 AM 9:14

RECEIVED

VIA HAND DELIVERY

The Honorable Charles Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
100 Executive Center, Suite 100
Columbia, South Carolina 29210

RE: South Carolina Electric & Gas Company's Filing of Quarterly Monitoring Report for the twelve-month period ending March 31, 2007, and Proposed Rate Adjustments pursuant to the Natural Gas Rate Stabilization Act

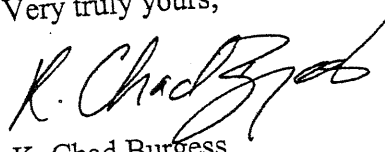
Dear Mr. Terreni:

On April 26, 2005, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed an application pursuant to S.C. Code Ann. § 58-5-240 (1976, as amended) for adjustments in the Company's natural gas rate schedules and tariffs. (See Docket No. 2005-113-G). In the Application, SCE&G elected to have the terms of the Natural Gas Rate Stabilization Act, S.C. Code Ann. § 58-5-400 *et seq.* (the "Act"), apply to the Company's rates and charges for gas distribution services thereafter. In accordance with S.C. Code Ann. §§ 58-5-430 and 440 of the Act, SCE&G hereby submits the original and ten (10) copies of its quarterly report for the twelve-month period ending March 31, 2007, as well as proposed adjustments to its rates and charges. Please acknowledge receipt of this document by date-stamping the extra copy that is enclosed and returning it to us via our courier.

By copy of this letter, and pursuant to S.C. Code Ann. § 58-5-430 and § 58-5-455, we are also serving the South Carolina Office of Regulatory Staff with a copy of the enclosed document and attach a certificate of service to that effect.

If you have any questions, please advise.

Very truly yours,


K. Chad Burgess

KCB/kms
Enclosures

cc: Dan F. Arnett
John W. Flitter
Shannon Bowyer Hudson, Esquire
(all via hand delivery)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2007-____-G

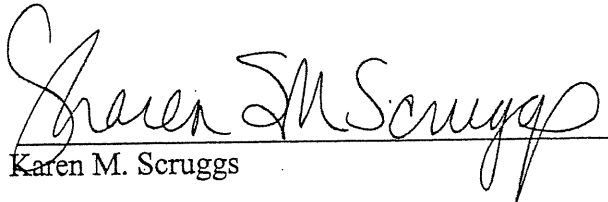
IN RE:

South Carolina Electric & Gas Company's)
Filing of Quarterly Monitoring Report for)
the twelve-month period ending March 31,)
2007, and Proposed Rate Adjustments)
pursuant to the Natural Gas Rate)
Stabilization Act)
_____)

**CERTIFICATE OF
SERVICE**

This is to certify that I have caused to be served this day ten (10) copies of South Carolina Electric & Gas Company's **Quarterly Report for the Twelve-Month Period Ending March 31, 2007, and Proposed Rate Adjustments pursuant to the Natural Gas Rate Stabilization Act** via hand delivery to the person named below at the address set forth:

Shannon Bowyer Hudson, Esquire
Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, SC 29201



Karen M. Scruggs

Columbia, South Carolina
This 15th day of June 2007

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-____ - G

SC PUBLIC SERVICE COMMISSION
2007 JUN 15 AM 9:14
FILED

IN RE:

South Carolina Electric & Gas Company's)	
Filing of Quarterly Monitoring Report for)	QUARTERLY MONITORING REPORT
the twelve-month period ending March 31,)	FOR THE TWELVE-MONTH PERIOD
2007, and Proposed Rate Adjustments)	ENDING MARCH 31, 2007, AND
pursuant to the Natural Gas Rate)	PROPOSED RATE ADJUSTMENTS
Stabilization Act.)	
_____)	

Pursuant to S.C. Code Ann § 58-5-430 (Supp. 2006) and § 58-5-440 (Supp. 2006) of the Natural Gas Rate Stabilization Act ("RSA" or "Act"), South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files with the Public Service Commission of South Carolina ("Commission") its quarterly monitoring report for the twelve-month period ending March 31, 2007, and proposed adjustments to its rates and charges necessary to provide SCE&G the opportunity to earn the midpoint of the range of rate of return on common equity as established in the Company's most recent general rate case for natural gas service. [See Docket No. 2005-113-G]. SCE&G respectfully requests that the Commission accept and review the attached documents, and pursuant to S.C. Code Ann. § 58-5-455 (Supp. 2006), issue an Initial Order approving the proposed rate adjustments set forth in this filing on or before October 15, 2007.

In support of this filing, the Company would respectfully show unto this Commission the following key facts and would request of and apply to the Commission for the following relief:

1. Corporate counsel for SCE&G in this proceeding is as follows:

K. Chad Burgess
South Carolina Electric & Gas Company
1426 Main Street, Mail Code 130
Columbia, South Carolina 29201
Telephone: 803-217-8141
Facsimile: 803-217-7931
Email: chad.burgess@scana.com

- Private legal counsel for SCE&G in this proceeding is as follows:

Mitchell Willoughby
Benjamin Mustian
Willoughby & Hoefer, P.A.
930 Richland Street
Post Office Box 8416
Columbia, South Carolina 29202-8416
Telephone: 803-252-3300
Facsimile: 803-256-8062
Email: mwilloughby@willoughbyhoefer.com

All pleadings, correspondence and communication related to this filing should be addressed to the Company's authorized representatives as stated hereinabove.

2. On April 26, 2005, SCE&G filed an application (the "Application"), pursuant to S.C Code Ann. § 58-5-240 (1976, as amended), for, among other things, approval of adjustments in the Company's natural gas rate schedules and tariffs. [See Docket No. 2005-113-G]. In its Application, SCE&G elected to have the terms of the Act apply to SCE&G's rates and charges for gas distribution services thereafter.

3. All the parties in Docket No. 2005-113-G entered into a settlement agreement ("Settlement Agreement"), which was adopted by the Commission and incorporated into and made part of Commission Order No. 2005-619. [See Order No. 2005-619, Order Exhibit No. 1]. At the conclusion of proceedings in Docket 2005-113-G, the Commission issued Order No. 2005-619 finding, among other things, as follows:

In the Application SCE&G elected to have the rates established in this proceeding come under the Natural Gas Rate Stabilization Act ("RSA"), S.C. Code §§ 58-5-400 *et. seq.* (2005). Pursuant to the RSA Section 58-5-420(1), the Commission is required to specify a range for SCE&G's cost of equity that includes a band of fifty basis points (0.50 percentage points) below and fifty basis points (0.50 percentage points) above the cost of equity on which rates have been set. Based on the stipulations of all Parties in the Settlement, and the cost of equity of 10.25% therein established, the Commission specifies a range of 9.75% to 10.75% as the range of return on equity to be used in administering the provisions of the RSA for SCE&G until further order.

[See Order No. 2005-619, p.7].

4. In its Application in Docket No. 2005-113-G, SCE&G requested that the Commission make findings related to SCE&G's revenues, expenses, capital structure, returns, and other matters as required by S.C. Code Ann. § 58-5-410 (1976, as amended) and § 58-5-420 (1976, as amended).

5. In Order No. 2005-619, the Commission found as follows:

The RSA at Section 58-5-420(2) requires the Commission to make findings related to specific categories of revenue, expense and investment. All the required findings are set forth in Exhibit C of the Settlement which is incorporated as part of this Order.

[See Order No. 2005-619, p. 7].

6. The Commission has not issued any general rate order concerning SCE&G's gas operations since the issuance of Order No. 2005-619.

7. In accordance with Order No. 2005-619, and pursuant to the requirements of § 58-5-430, attached hereto as Exhibit A is the information contained in Exhibit C of the Settlement Agreement updated for the twelve-month period ending March 31, 2007.

8. In compiling the financial information contained in Exhibit A, SCE&G has made the pro forma and other adjustments to its per books financial data as required by § 58-5-430(2),

(3) and (4). A schedule setting forth the details of these pro forma and other adjustments is included in Exhibit A.

9. As indicated in Exhibit A, during the twelve-month period ended March 31, 2007, SCE&G earned a return on its gas distribution operations after pro forma adjustments that was below the 9.75% lower end of its allowable rate of return range on common equity established in Order No. 2005-619.

10. As required by § 58-5-440(2), Exhibit A contains a calculation indicating the additional revenue required to return SCE&G's rate of return on common equity to the midpoint of the range of 10.25% established in Order No. 2005-619.

11. Attached hereto as Exhibit B are the new rates and charges for gas service which will allow SCE&G an opportunity to generate the revenue required to return the Company's rate of return on common equity to the midpoint of the range of 10.25% as set by the Commission in Order No. 2005-619.

12. As required by § 58-5-440, the rates and charges contained in Exhibit B have been calculated using the revenue allocation principles set forth in Order No. 2005-619 including the percentage allocations of the increase among customer classes and the rate design which are identical to those contained in Order No. 2005-619.¹

13. Pursuant to § 58-5-455, SCE&G proposes to implement the rates reflected in Exhibit B for bills rendered on and after the first billing cycle of November 2007.

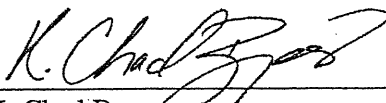
¹ Pursuant to Commission Order No. 2006-679 issued in Docket No. 2006-5-G, the Company may adjust the cost of gas factor monthly, under the standards and procedures of that order. If adjustments should occur prior to the Commission issuing its Initial Order, then SCE&G will amend Exhibit B accordingly. However any such adjustments will not have any impact on this RSA filing or otherwise affect the Company's base rates.

14. In accordance with S.C. Code Ann. § 58-5-430 and § 58-5-455(1) (Supp. 2006), on the same day and by the same means a copy of this filing is being served upon and filed with the South Carolina Office of Regulatory Staff. In addition, the Company is required to simultaneously mail or electronically transmit copies of this filing, including all attachments, to any interested parties who have requested in writing to receive such filing. As of the date hereof, there are no interested parties who have requested in writing that they receive a copy of this filing and therefore none is being provided.

WHEREFORE, SCE&G respectfully requests that the Commission (i) accept and review the Company's quarterly monitoring report for the twelve-month period ended March 31, 2007, (ii) on or before October 15, 2007, issue an Initial Order approving SCE&G's adjustments to its rates and charges and thereby allow the Company the opportunity to earn the midpoint of the range of rates of return on common equity established in Order No. 2005-619, and (iii) grant such other and further relief as is just and proper.

[SIGNATURE PAGE FOLLOWS]

Respectfully submitted,



K. Chad Burgess

South Carolina Electric & Gas Company

1426 Main Street, MC 130

Columbia, South Carolina 29201

Telephone: 803-217-8141

Facsimile: 803-217-7931

Email: chad.burgess@scana.com

Mitchell Willoughby

Benjamin Mustian

Willoughby & Hofer, P.A.

930 Richland Street

Post Office Box 8416

Columbia, South Carolina 29202-8416

Telephone: 803-252-3300

Facsimile: 803-256-8062

Email: mwilloughby@willoughbyhofer.com

Attorneys for

South Carolina Electric & Gas Company

Columbia, South Carolina

June 15, 2007

South Carolina Electric & Gas Company
Operating Experience - Total Gas
For the Test Year Ended March 31, 2007

Description	Per Regulatory Books	Accounting & Pro Forma Adjustments	As Adjusted	Total Proposed Increase	Total After Proposed Increase
<u>Operating Revenues</u>	\$ 503,991,448	\$ 10,831,057	\$ 514,822,505	\$ 6,868,824	\$ 521,691,329
<u>Operating Expenses:</u>					
O&M Expenses - Cost of Gas	384,467,229	-	384,467,229		384,467,229
O&M Expenses - Other	56,038,431	2,491,761	58,530,192		58,530,192
Dep. & Amort. Expenses	18,033,979	2,294,879	20,328,858		20,328,858
Taxes Other Than Income	12,806,433	1,582,861	14,389,294	35,745	14,425,040
Total Income Taxes	8,473,927	1,729,954	10,203,881	2,613,630	12,817,511
<u>Total Operating Expenses</u>	<u>479,819,998</u>	<u>8,099,455</u>	<u>487,919,454</u>	<u>2,649,375</u>	<u>490,568,829</u>
<u>Total Operating Income</u>	<u>24,171,450</u>	<u>2,731,601</u>	<u>26,903,051</u>	<u>4,219,449</u>	<u>31,122,500</u>
Customer Growth	502,174	56,750	558,924	87,662	646,586
Interest on Customer Deposits	(129,066)	-	(129,066)		(129,066)
<u>Net Income for Return</u>	<u>24,544,558</u>	<u>2,788,351</u>	<u>27,332,909</u>	<u>4,307,111</u>	<u>31,640,020</u>
<u>Rate Base:</u>					
Gross Plant in Service	635,557,516	731,252	636,288,768		636,288,768
Reserve for Depreciation	265,805,762	2,014,303	267,820,065		267,820,065
Net Plant in Service	369,751,755	(1,283,051)	368,468,704		368,468,704
Construction Work in Process	11,014,867	(1,103,103)	9,911,764		9,911,764
Accum. Deferred Income Taxes	(42,958,935)	-	(42,958,935)		(42,958,935)
Environmental Costs	2,519,137	-	2,519,137		2,519,137
OPEB's	(10,132,213)	6,275	(10,125,938)		(10,125,938)
Reg. Asset for Unrcvrd PAP	2,042,563	(151,109)	1,891,454		1,891,454
Injuries & Damages	(726,904)	-	(726,904)		(726,904)
Materials & Supplies	56,720,041	-	56,720,041		56,720,041
Total Working Capital	7,004,804	311,470	7,316,274		7,316,274
Prepayments	(1,547,545)	-	(1,547,545)		(1,547,545)
Average Tax Accruals	(6,680,661)	-	(6,680,661)		(6,680,661)
Customer Deposits	(7,126,861)	-	(7,126,861)		(7,126,861)
<u>Total Rate Base</u>	<u>379,880,046</u>	<u>(2,219,518)</u>	<u>377,660,528</u>	<u>-</u>	<u>377,660,528</u>
<u>Rate of Return</u>	<u>6.46%</u>		<u>7.24%</u>		<u>8.38%</u>
<u>Return on Equity</u>	<u>6.65%</u>		<u>8.11%</u>		<u>10.25%</u>

SCE&G

Weighted Cost of Capital
At March 31, 2007

Description	Pro Forma Capital Structure	Pro Forma Ratio	Rate Base	Embedded Cost/Return	Overall Cost/Return	Income For Return
Long-Term Debt	\$ 2,096,488,400	44.26%	\$ 167,152,550	6.23%	2.76%	\$ 10,413,604
Preferred Stock	114,558,800	2.42%	9,139,385	6.41%	0.16%	585,835
Common Equity	2,525,737,686	53.32%	201,368,594	10.25%	5.46%	20,640,581
Totals	\$ 4,736,784,886	100.00%	\$ 377,660,528		8.38%	\$ 31,640,020

SOUTH CAROLINA ELECTRIC & GAS COMPANY
12 MONTHS ENDED
March 31, 2007

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPR & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 6.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUMULATED DEPR	CWIP	OPER'S	REGULATORY ASSET	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	606,022			3,154	30,143	200,454						
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		900,363		63,912	(48,214)	(320,621)						112,545
3	NORMALIZE INCENTIVE COMPENSATION		(267,150)		(24,807)	14,598	97,076						(33,394)
4	ANNUALIZE PENSION INCOME		(268,972)			13,449	89,433						(33,622)
5	ANNUALIZE OTHER POST-EMPLOYEE BENEFITS		(10,162)			508	3,379				6,275		(1,270)
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(755,481)			37,774	251,197						(94,435)
7	REMOVE EMPLOYEE CLUBS		(63,152)	(64,311)		6,373	42,381	(439,008)	(104,652)				(7,894)
8	ANNUALIZE CUSTOMER AWARENESS PROGRAM		1,893,937			(94,697)	(629,734)						236,742
9	GAS UNBILLED REVENUE ADJUSTMENT	715,040			3,721	35,566	236,514						
10	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(89,126)	(89,126)				
11	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	510,491		(510,491)			
12	RECOGNIZE ADDITIONAL CWIP CLOSED TO PLANT			21,352		(1,068)	(7,100)	748,895	21,352	(592,612)			
13	ANNUALIZE DEPRECIATION-ADJUST RESERVE			1,547,626		(77,381)	(514,586)		1,547,626				
14	ANNUALIZE PROPERTY TAXES				1,487,392	(74,370)	(494,558)						
15	ANNUALIZE AMORTIZATION EXPENSE FOR REGULATORY ASSET - PROPANE AIR PLANT			151,109		(7,555)	(50,244)					(151,109)	
16	ANNUALIZE LNG ASSETS - INCREASE EXPENSE		1,014,789	639,103		(82,695)	(549,919)		639,103				126,849
17	ANNUALIZE APPROVED REVENUE INCREASE - 2006 RSA PROCEEDING	8,152,076			42,423	405,483	2,696,459						
18	RECOGNIZE DEMAND COST NOT RECOVERED	1,357,918			7,067	67,543	449,158						
19	ANNUALIZE POSTAGE INCREASE		47,589			(2,379)	(15,823)						5,949
20	TAX EFFECT OF ANNUALIZED INTEREST					3,060	20,349						
	TOTAL ADJUSTMENTS	10,831,057	2,491,761	2,294,879	1,582,861	226,138	1,503,816	731,252	2,014,303	(1,103,103)	6,275	(151,109)	311,470

South Carolina Electric & Gas Company
Computation of Proposed Increase
For the Test Year Ended March 31, 2007

Line No.	Description	Requested
	(Col. 1)	(Col. 2)
1	Jurisdictional Rate Base	377,660,528
2	Required Rate of Return	<u>8.38%</u>
3	Required Return	31,640,020
4	Actual Return Earned	<u>27,332,909</u>
5	Required Increase to Return	4,307,111
6	Factor to Remove Customer Growth	<u>1.0207755</u>
7	Additional Return Required from Revenue Increase	4,219,449
8	Composite Tax Factor	<u>0.61429</u>
9	Required Revenue Increase	<u>6,868,824</u>
10	Proposed Revenue Increase	<u>6,868,824</u>
	Additional Expenses	
11	Gross Receipts & PSC Support Tax @ .005204	35,745
12	State Income Tax @ 5%	341,654
13	Federal Income Tax @ 35%	<u>2,271,976</u>
14	Total Taxes	<u>2,649,375</u>
15	Additional Return	4,219,449
16	Additional Customer Growth	<u>87,662</u>
17	Total Additional Return	4,307,111
18	Earned Return	<u>27,332,909</u>
19	Total Return as Adjusted	31,640,020
20	Rate Base	377,660,528
21	Rate of Return	8.38%

(1) Pro Forma Capital Structure Includes \$275 million associated with the planned issuance of long term debt in 2008.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

PROPOSED RATES

Rate 31	Small Firm General Service
Rate 32 Value	Residential Value Service
Rate 32 Standard	Residential Standard Service
Rate 33	Medium Firm General Service
Rate 34	Large General Service
Rate 35	Firm Transportation and Standby Service
Rate 36	Gas Lighting
Rider to Rates 31, 32V, 32S and 34	Service for Air Conditioning
Weather Normalization Adjustment	Adjustment Determination

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 31

GENERAL SERVICE

AVAILABILITY

Available only to those customers having firm requirements on a peak day of less than 500 therms and using the Company's service for general commercial, industrial, agricultural, religious or charitable purposes. Only for residential where more than one dwelling unit is supplied through one meter. It is not available for resale.

RATE PER MONTH

Basic Facilities Charge:	November - April	\$46.80	\$18.15
	May - October	\$42.63	\$13.98

Plus Commodity Charge:

All therms @ **\$ 1.57730 \$ 1.58943** per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekatherm will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.12362 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. The peak day requirement contained in the Availability will be determined in the same manner as the determination of the category for curtailment of retail customers. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE

(Page 1 of 2)

AVAILABILITY

This rate schedule is only available to residential customers that meet the special provisions as listed below and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

Basic Facilities Charge:	\$8.95	\$9.99
Plus Commodity Charge:		
All Therms @	\$1.55484	\$ 1.57015 per therm

SPECIAL PROVISIONS

1. This rate schedule is available to those accounts where there is an average usage of at least 10 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three.
2. Therm usage during a billing month of other than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
3. The calculation as described in 1. above will be performed annually for each residential account. Accounts not meeting the standards of Rate 32V will be placed on Rate 32S beginning with the billing month of November of each year.
4. Availability of this rate schedule for new premises will be based on reasonably anticipated base load usage. Availability of this rate schedule for new accounts at existing premises will be based on the previous account's usage. If this usage is unavailable, the customer will be initially placed on Rate 32S Residential Standard Service.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE

(Page 2 of 2)

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.18903 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32S

RESIDENTIAL STANDARD SERVICE

AVAILABILITY

This rate schedule is only available to residential customers that are not eligible for rate schedule 32V Residential Value Service and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

Basic Facilities Charge:	November - April	\$9.95	\$10.99
	May - October	\$7.95	\$8.99

Plus Commodity Charge:

All Therms @ **\$4.61484 \$1.63015** per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premises within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.18903 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 33

MEDIUM GENERAL SERVICE

AVAILABILITY

Available only to those customers using the Company's service for firm general commercial, industrial, agriculture, religious or charitable purposes and for residential where more than one dwelling unit is supplied through one meter. Also, this rate schedule is only available where there is an average usage of at least 130 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three. It is not available for resale.

RATE PER MONTH

Basic Facilities Charge:	<u>\$23.39</u>	<u>\$24.74</u>
Plus Commodity Charge:		
All Therms @	<u>\$4.52730</u>	<u>\$1.53943</u> per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekatherm will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.12362 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location. No contract shall be written for less than twelve (12) months.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 34

LARGE GENERAL SERVICE

AVAILABILITY

Available only to those customers having firm requirements and a maximum daily quantity (MDQ) of at least 50 Dekatherms or greater and using the Company's service for industrial manufacturing or large commercial operations. It is not available for resale service.

MAXIMUM DAILY QUANTITY (MDQ)

The actual MDQ shall be the greatest amount of gas delivered to the customer during any day (10:00 a.m. to 10:00 a.m.) of the current billing month.

RATE PER MONTH

Monthly Demand Charge:

First 50 Dekatherms @	\$549.00	\$538.50	
Excess over 50 Dekatherms @	\$6.53	\$6.92	per Dekatherm
Commodity Charge @	\$ 12.4396	\$ 12.5049	per Dekatherm

DETERMINATION OF BILLING DEMAND

- (a) **Billing Months of November-April:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.
- (b) **Billing Months of May-October:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

MINIMUM CHARGE

The monthly minimum charge shall be the demand charge as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$11.0745 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Service hereunder shall be provided under a written contract, with a minimum initial term of one year with automatic extensions, unless terminated by either party in accordance with the terms of contract. In the event of a default to the contract, this rate schedule and the General Terms and Conditions will constitute a contract for a term of six months. A separate written contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 35

TRANSPORTATION AND STANDBY SERVICE

(Page 1 of 2)

AVAILABILITY

Transportation service is available to any customer who has firm requirements of 50 Dekatherms Maximum daily Quantity (MDQ) or greater and, who owns and delivers gas to the Company at an acceptable point of connection, for delivery by the Company to the customer's regular point of service.

Service will be supplied at the best efforts of the Company and may be restricted from time to time due to operating limitations on the Company's system or from third party restrictions. In the event of such limitations, the transportation service is subordinate to service under all other rate schedules and may be curtailed or interrupted, normally upon not less than two hours advance notice, or, when necessitated by conditions affecting the Company's gas system, upon less than two hours advance notice.

RATE PER MONTH

Transportation Service

Monthly Demand Charge:

First	50 Dekatherms @	\$519.00	\$538.50	
Excess over	50 Dekatherms @	\$6.53	\$6.92	per Dekatherm
Commodity Charge @		\$ 1.3486	\$ 1.4148	per delivered Dekatherm

DETERMINATION OF BILLING DEMAND

- (a) **Billing Months of November-April:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.
- (b) **Billing Months of May-October:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

Standby Service

In addition to the demand charges for transportation service the following charges will apply for gas supplied by the Company.

- (a) **Billing Months of November-April:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.
- | | | | |
|--------------------|-----------------------|-----------------------|---------------|
| Demand Charge @ | \$6.00 | \$6.00 | per Dekatherm |
| Commodity Charge @ | \$ 12.4396 | \$ 12.5049 | per Dekatherm |
- (b) **Billing Months of May-October:**
- | | | | |
|--------------------|-----------------------|-----------------------|---------------|
| Demand Charge @ | None | None | |
| Commodity Charge @ | \$ 12.4396 | \$ 12.5049 | per Dekatherm |

MINIMUM CHARGE

The monthly minimum charge shall be the demand charges as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$11.0745 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

DELIVERED GAS QUANTITY

When separate metering is not feasible, the Company shall assume for billing purposes, unless otherwise agreed to, that such metered volumes reflect deliveries under this rate schedule prior to gas received under any other rate schedule.

The quantity of transportation gas received into the Company's system for the customer's account to be delivered to the customer by the Company shall be reduced by 3% in measurement for line loss and unaccounted for gas.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 35

TRANSPORTATION AND STANDBY SERVICE

(Page 2 of 2)

DELIVERED GAS QUANTITY

The volume of gas received on a daily basis for customer's account may not equal the volume, less shrinkage, delivered to the customer. The result will be deemed an imbalance. Customer's account will be reviewed at the end of each month, or on termination of Transportation Service or curtailment or discontinuance thereof. If the imbalance is such that the customer has received more gas than was delivered to the Company during the period under review, customer shall be billed for such as standby service. If the imbalance is such that the customer has received less gas than was delivered to the Company, the Company may exercise one of two options, in its sole discretion. The Company may: (1) deliver the excess gas to the customer, over the next calendar month succeeding the review, at such times as the Company shall determine in its sole discretion; or (2) buy excess gas at Company's lowest delivered purchase price in that month from any of Company's suppliers.

LIABILITY

The Company shall not be liable for curtailment of service under this rate schedule or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.

Gas shall be and remain the property of the customer while being transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.

The Company shall not be liable for any loss to the customer arising from or out of service under this rate schedule, including loss of gas in the possession of the Company or any other cause, except gross or willful negligence of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with other supplies.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

The customer shall execute an Agreement of Service with the Company which shall specify the maximum daily volume of gas to be transported, the period of time that the Company will receive such gas, and all conditions under which delivery to the Company will be accepted and delivery to the customer will be made. The customer must provide the Company with all necessary documentation of ownership and authorization required by any regulatory body with jurisdiction.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 36

GAS LIGHTING

AVAILABILITY

EFFECTIVE FOR BILLS RENDERED ON AND AFTER THE FIRST BILLING CYCLE OF NOVEMBER 2005 THIS SCHEDULE IS CLOSED AND NOT AVAILABLE TO ANY NEW STRUCTURE OR APPLIANCE.

RATE

All lighting service where fixtures are mounted on Company's ornamental poles which are a part of Company's distribution system will be charged for at the following rate per light.

<u>SIZE</u>	<u>Lamp Charges per Month</u>		<u>Average Therms Usage per Month</u>
Two Mantle fixture complete	\$28.92	\$28.92	15
Three Mantle fixture complete	\$38.95	\$38.95	22
Four Mantle fixture complete	\$49.17	\$49.17	29

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.18903 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Service hereunder shall be provided under written contract, with the initial term of contract of five years and, there after, for one-year periods until terminated by either party on ninety days written notice.

SPECIAL PROVISIONS

The company will furnish, erect, operate and maintain all necessary equipment in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between such non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RIDER TO RATES 31, 32V, 32S AND 34

SERVICE FOR AIR CONDITIONING

(Page 1 of 2)

AVAILABILITY

EFFECTIVE FOR BILLS RENDERED ON AND AFTER THE FIRST BILLING CYCLE OF NOVEMBER 2005 THIS SCHEDULE IS CLOSED AND NOT AVAILABLE TO ANY NEW APPLIANCE.

This rider is available to those customers which have installed and are regularly operating a gas-fired central air cooling system or have installed and are regularly operating a gas-fired central combination air cooling and heating system. Service under this rider shall be available subject to the specifications below at customer's request and with Company certification of customer's installed gas-fired central air cooling system or gas-fired central combination air cooling and heating system. It is not available for resale service. At the company's discretion, service offered under this rider may be limited and applied only to those customers currently receiving service under this rider.

INDUSTRIAL AND COMMERCIAL, RATES 31, 33 AND 34

METERING

The volume of gas used for service under this rider will be determined by separate metering equipment installed by the Company. All costs associated with the separate metering are borne by the customer.

Available to those customers qualifying for service under General Service Rates 31 & 33.

SPECIFICATION A - Customer with gas-fired cooling systems.

**RATE PER MONTH
(All Months)**

Basic Facilities Charge:	\$14.72	\$16.07
Commodity Charge:		
All therms @	\$ 1.22517	\$ 1.22517 per therm

ADJUSTMENTS FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.12362 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SPECIFICATION B - Customer with gas-fired Central combination air cooling and heating systems.

**RATE PER MONTH
(During the Billing Months of May through October)**

Basic Facilities Charge:	\$14.72	\$16.07
Commodity Charge:		
All therms @	\$ 1.22517	\$ 1.22517 per therm

ADJUSTMENTS FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.12362 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

Available to those customers qualifying for service under Large General Service Rates 34.

Rate 34G - Customer with gas-fired Central combination air cooling and heating systems.

**RATE PER MONTH
(All Months)**

Commodity Charge:		
All therms @	\$ 1.34632	\$ 1.29745 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.10745 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RIDER TO RATES 31, 32V, 32S AND 34

SERVICE FOR AIR CONDITIONING
(Page 2 of 2)

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

RESIDENTIAL RATES 32V & 32S

Available only to residential customers qualifying for service under Firm Residential Service Rate 32V & 32S and having a gas-fired central air cooling system or gas-fired central combination air cooling and heating system using the Company's service in private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a gas-fired central air cooling system or a gas-fired central combination air cooling and heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of Rate 32V & 32S.

SPECIFICATION B - Customer with gas-fired central combination air cooling and heating systems.

RATE PER MONTH
(All Months)

Basic Facilities Charge:	\$8.95	\$9.99
Commodity Charge:		
All therms @	\$1.36031	\$1.36031 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$1.18903 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to commodity charges for the billing months of November - April will be made in accordance with the Weather Normalization Adjustment.

GENERAL

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERMS OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007

SOUTH CAROLINA ELECTRIC & GAS COMPANY WEATHER NORMALIZATION ADJUSTMENT

APPLICABILITY

This Weather Normalization Adjustment (WNA) is applicable to and is a part of the Company's firm gas rate schedules 31, 32V, 32S, and 33. The commodity charges per therm for each customer account during the billing months of November through April will be increased or decreased in an amount to the nearest one-thousandth of a cent, as derived by the following formula:

$$\text{WNA} = \frac{\text{WSL} \times \text{R}}{\text{ATH} - \text{BTH}}$$

$$\text{Where: } \text{WSL} = \frac{\text{ATH} - \text{BTH}}{\text{ADD}} \times (\text{NDD} - \text{ADD})$$

WNA = Weather Normalization Adjustment factor for a particular account expressed in dollars per therm.

WSL = Weather Sensitive Load which is the difference in the amount of therms that would have been consumed by the customer during normal weather and the amount of therms actually consumed.

R = Approved rate less cost of gas for applicable rate schedule determined as follows:

<p style="text-align: center;"><u>Rate 32V</u></p> <p>R= \$0.36604 R= \$0.38132</p>	<p style="text-align: center;"><u>Rate 32S</u></p> <p>R= \$0.42604 R= \$0.44132</p>
<p style="text-align: center;"><u>Rate 31</u></p> <p>R= \$0.45383 R= \$0.46596</p>	<p style="text-align: center;"><u>Rate 33</u></p> <p>R= \$0.40383 R= \$0.41596</p>

ATH = Actual therms consumed by customer during current billing period.

BTH = Base load therms which is the average of the therms consumed by customer during the previous billing months of June, July and August. If BTH is greater than ATH, then BTH will equal to ATH. If base load therms cannot be determined, then base load therms will be as follows:

Rate 32V = 18 therms

Rate 32S = 4 therms

Rate 31 = 19 therms

Rate 33 = 739 therms

NDD = Normal heating degree days during customer's billing period authorized by the Commission.

ADD = Actual heating degree days during customer's billing period.

The appropriate revenue related tax factor is to be included in these calculations.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2007